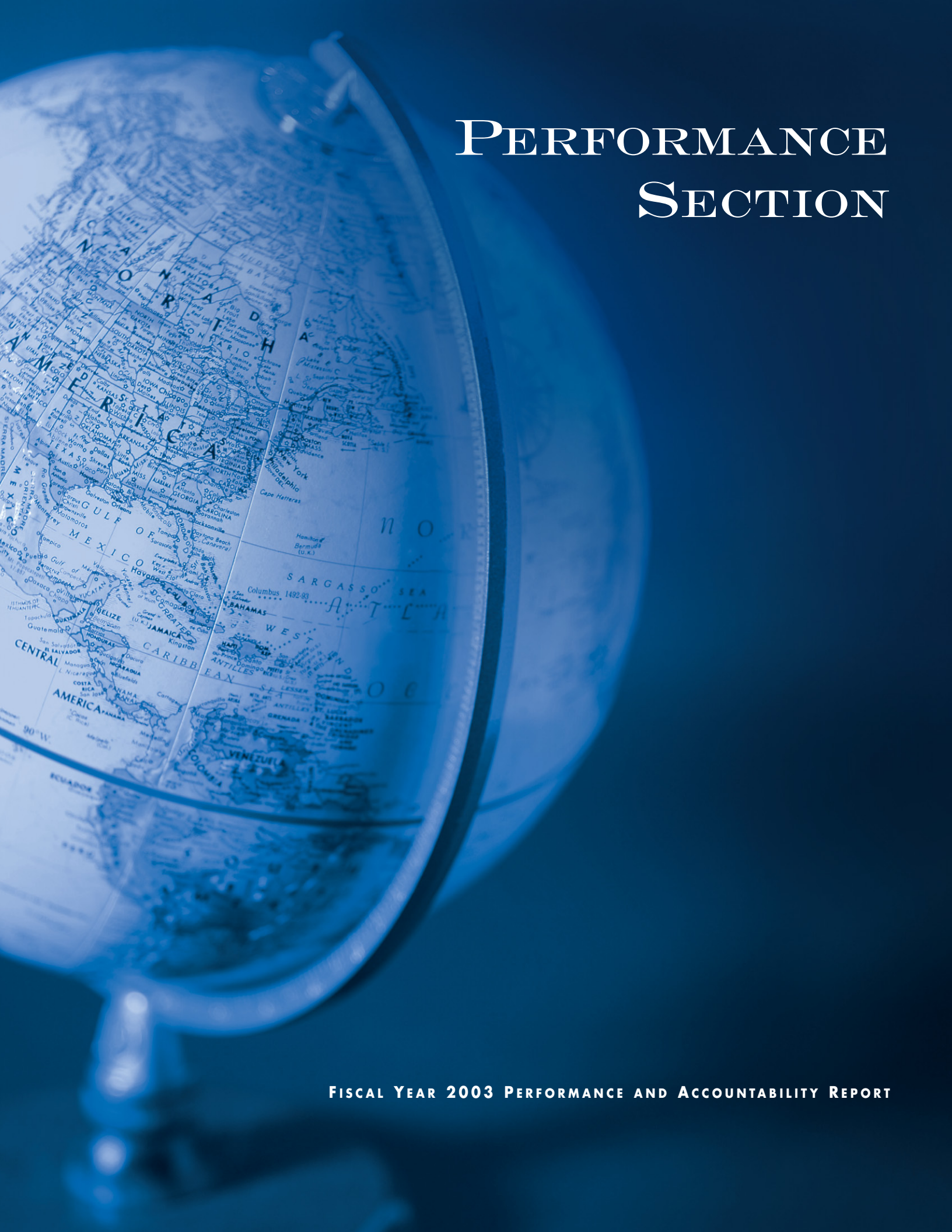


PERFORMANCE SECTION



FISCAL YEAR 2003 PERFORMANCE AND ACCOUNTABILITY REPORT

DEPARTMENT OF STATE STRATEGIC OBJECTIVES AND STRATEGIC GOALS

STRATEGIC OBJECTIVE #1 - Achieve Peace and Security -	
Strategic Goal Title	Strategic Goal Description
Regional Stability	Avert and resolve local and regional conflicts to preserve peace and minimize harm to the national interests of the United States.
Counterterrorism	Prevent attacks against the United States, our allies, and our friends, and strengthen alliances and international arrangements to defeat global terrorism.
Homeland Security	Protect the homeland by enhancing the security of our borders and infrastructure.
Weapons of Mass Destruction	Reduce the threat of weapons of mass destruction to the United States, our allies, and our friends.
International Crime and Drugs	Minimize the impact of international crime and illegal drugs on the United States and its citizens.
American Citizens	Assist American citizens to travel, conduct business, and live abroad securely.
STRATEGIC OBJECTIVE #2 - Advance Sustainable Development and Global Interests -	
Strategic Goal Title	Strategic Goal Description
Democracy and Human Rights	Advance the growth of democracy and good governance, including civil society, the rule of law, respect for human rights, and religious freedom.
Economic Prosperity and Security	Strengthen world economic growth, development, and stability, while expanding opportunities for U.S. businesses and ensuring economic security for the nation.
Social and Environmental Issues	Improve health, education, environment, and other conditions for the global population.
Humanitarian Response	Minimize the human costs of displacement, conflicts, and natural disasters.
STRATEGIC OBJECTIVE #3 - Promote International Understanding -	
Strategic Goal Title	Strategic Goal Description
Public Diplomacy and Public Affairs	Increase understanding for American values, policies, and initiatives to create a receptive international environment.
STRATEGIC OBJECTIVE #4 - Strengthen Diplomatic and Program Capabilities -	
Strategic Goal Title	Strategic Goal Description
Management and Organizational Excellence	Ensure a high quality workforce supported by modern and secure infrastructure and operational capabilities.



INTRODUCTION AND STRATEGIC GOAL CHAPTERS



INTRODUCTION TO THE PERFORMANCE SECTION

In FY 2003, the Department accomplished its mission through twelve strategic goals that articulate long-term outcomes and thirty-eight performance goals that represent shorter-term outcomes and priorities. Performance goals include specific targets designed to achieve specific performance results within a given fiscal year.

The Performance Section of the report is composed of chapters for each strategic goal organized in the following eight sub-sections:

Sub-Section	Purpose
Public Benefit	A concise narrative describing how pursuit of the goal benefits America and the world.
Selected Performance Trends	Graphs that show key performance trends specific to each goal.
Strategic Context	A table depicting the various components (programs, lead bureaus and external partners) that contributes to accomplishment of a given goal.
Performance Summary	A graphic summary of results achieved for a goal showing both this year's and last year's results.
Resources Invested	A summary of resources (dollars and people) devoted to pursuit of the goal for both the current reporting period (FY 2003) and the previous reporting period (FY 2002). The results chart and resource investment are shown on a single page so as to provide the reader with a concise snapshot of performance and resources as related to a given strategic goal.
Illustrative Example	An example of a key FY 2003 achievement that is typical of the Department's work in support of the goal.
Performance Results	Results history/trend, together with the current rating and a short impact statement pertaining to each of the FY 2003 results achieved.
Program Evaluations and PART Reviews	Summaries of evaluations and reviews conducted on the programs critical to activities related to a given strategic goal.

Percentage of Results Equal to or Above the "On Target" Rating			Rating
Strategic Goal (Number of FY 2003 Reported Results)	FY 2002	FY 2003	Percentage Point Change
Regional Stability (8)	56%	75%	19%
Counterterrorism (13)	100%	77%	(23%)
Homeland Security (10)	50%	90%	40%
Weapons of Mass Destruction (20)	81%	88%	7%
International Crime and Drugs (17)	69%	100%	31%
American Citizens (5)	75%	80%	5%
Democracy and Human Rights (11)	29%	80%	51%
Economic Prosperity and Security (11)	59%	90%	31%
Social and Environmental Issues (18)	76%	89%	13%
Humanitarian Response (8)	63%	75%	12%
Public Diplomacy and Public Affairs (10)	100%	100%	0
Management and Organizational Excellence (40)	80%	84%	4%

This table shows the percentage of results attained that were equal to or above the "on target" rating for each strategic goal. The greater the percentage of results equal to or greater than the on target rating, the better.



STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

The foremost responsibility of government is protecting the life, liberty, and property of its citizens. Since our struggle for independence, diplomacy has been critical to our nation's security. The Department of State, as the nation's first line of offense, leads the effort to build and maintain relationships, coalitions, and alliances that help create the conditions for peace, contain or eliminate potential dangers from abroad before they can harm our citizens, and promote economic, social, and cultural cooperation.

We recognize that our own security is best guaranteed when our friends and neighbors are secure, free, and prosperous, and when they respect human rights and the rule of laws. As a result, the Department focuses its efforts on resolving regional conflicts, countering global terror networks, combating international organized crime, and keeping weapons of mass destruction out of the hands of those that can harm the United States, our allies, and our friends.

STRATEGIC GOAL 1: REGIONAL STABILITY

Avert and resolve local and regional conflicts to preserve peace and minimize harm to the national interests of the United States

I. Public Benefit

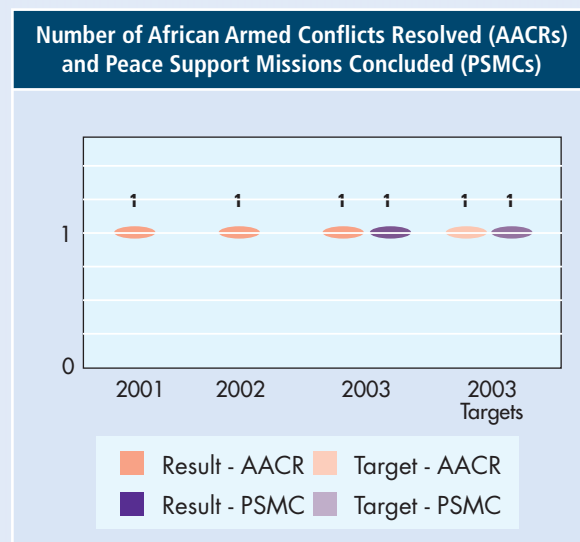
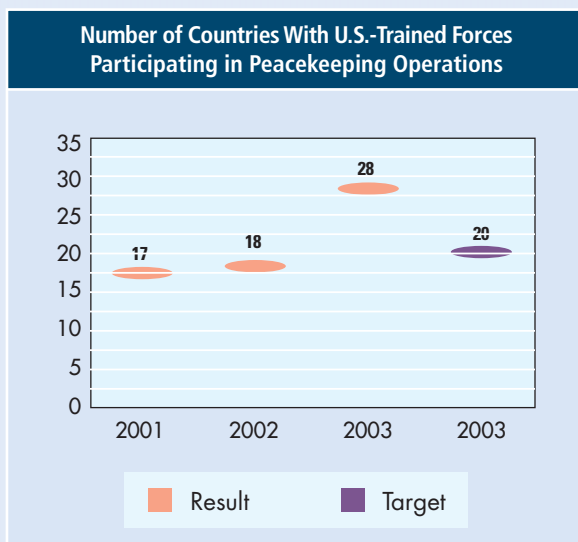
The United States must provide for the safety of Americans at home and abroad, protect against threats to its interests worldwide, and honor commitments to its allies and friends. The activities of the Department are cost-effective means for enhancing and ensuring stability in all regions of the world. Through diplomatic means, the United States builds and strengthens relations with neighbors and allies worldwide by shaping regional environments and by educating foreign audiences in ways that can prevent, contain, or resolve conflicts, and foster cooperative efforts. The benefits to the U.S. are greatest when the world is safer and more stable. Factors that contribute to regional instability include, but are not limited to economic instability, health crises, the illegal trade in toxic chemicals and dumping of hazardous wastes, exploitation of natural resources, trafficking in persons and in illegal conflict diamonds and systemic, state-sponsored denial of women's political and legal rights. The Department also advances U.S. national security interests through the resolution of regional instability, so that Americans, at home and abroad, are safe from violence. The Department achieves these regional stability objectives by focusing on two main performance goals: "Close Ties with Allies and Friends" and "Resolution of Regional Conflicts."



U.S. President George W. Bush, center, speaks with U.S. Secretary of State Colin Powell, left, during the opening session of the NATO summit in Prague. NATO leaders formally invited seven ex-communist countries to join the alliance. © AP Photo/Laurent Rebours



II. Selected Performance Trends



III. Strategic Context

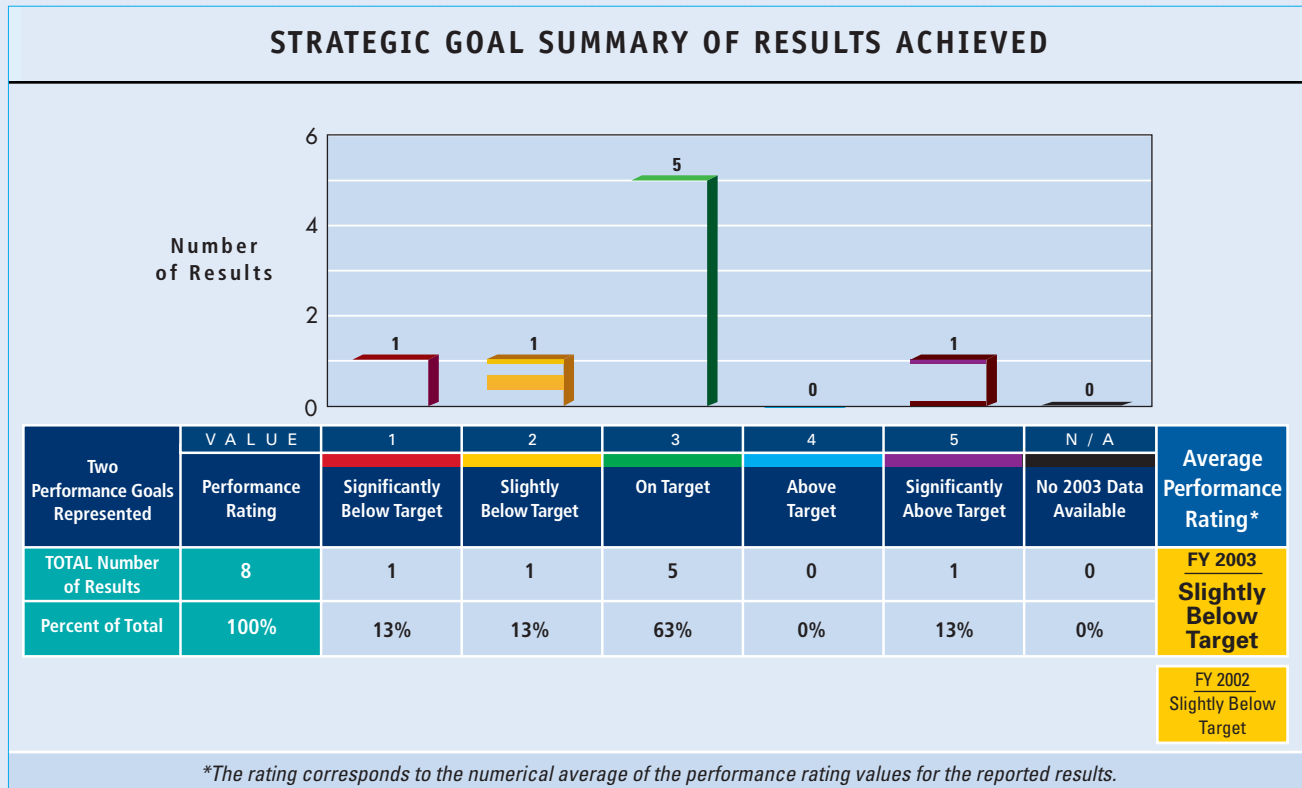
The Regional Stability strategic goal is supported by two performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Regional Stability	Close Ties with Allies and Friends	Enhanced and Expanded Euro-Atlantic Partnership	European and Eurasian Affairs, Arms Control, Verification and Compliance	OSD, JCS, IC, NSC Joint Consultative Group (JCG) in Vienna, NATO
		Regional Stability in East Asia and the Pacific	East Asian and Pacific Affairs	DoD
	Prevention and Resolution of Regional Conflicts	Conflict Management and Resolution	African Affairs	DoD, United Nations Department for Peacekeeping Operations (UNDPKO), France, UK, Belgium, ECOWAS, Nigeria, Senegal, Ghana, Kenya, Benin, Mali
		Indo-Pak Relations – Kashmir	South Asian Affairs	USAID, NSC, DoD, and various UN Agencies
		Peacekeeping Participation	Political-Military Affairs	OSD/Special Operations and Low Intensity Conflict
		Restrict Advanced Conventional Weapons Transfers	Nonproliferation	32 Member States of Wassenaar

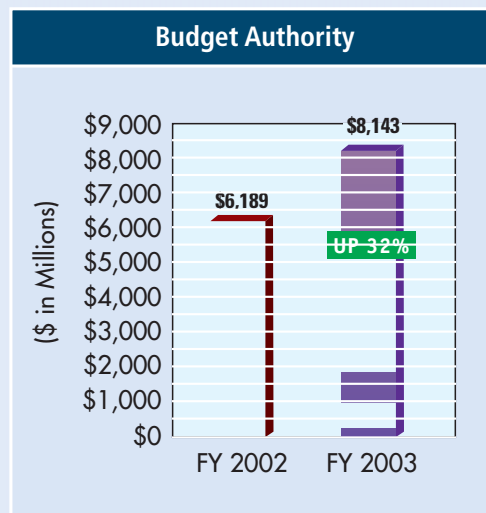
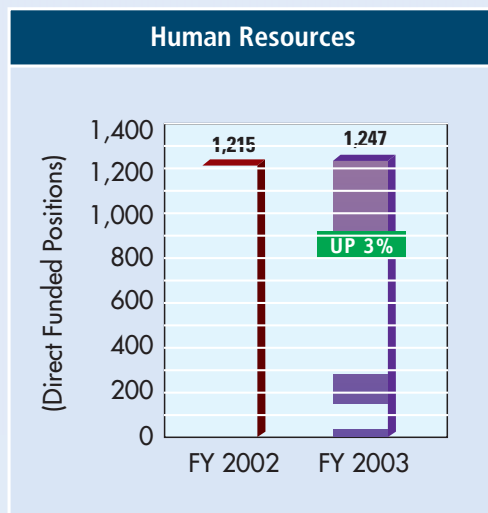


IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Regional Stability strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "Slightly Below Target", no change from last year's "slightly below target" rating.



V. Resources Invested



VI. Illustrative Example of Significant Achievement

Sri Lanka

The Department played a significant role in moving the peace process forward by coordinating donor support for a “peace dividend” and by insisting the Liberation Tigers of Tamil Eelam (LTTE) abandon terrorism and reshape itself into a legitimate political organization. In April, the Department hosted a seminar on Sri Lanka attended by 26 countries and 18 international organizations to coordinate support among potential donors to Sri Lanka. In June, the United States co-chaired, along with Norway, the European Union, and Japan, a donors’ conference for Sri Lanka held in Tokyo. The United States pledged \$54 million over a two-year period, the largest bilateral contribution after Japan’s. Pledges at the conference totalled a staggering \$4.5 billion. The Department provided assistance to internally displaced persons and funded a demining program in the war-torn areas. The Department also funded a number of other programs directly supportive of the peace process, which have brought

considerable relief to a war-weary populace. As of mid-August, the LTTE appeared prepared to resume peace negotiations, which it had suspended, with the government. Although the country remains in transition, there is a sense that peace has returned to the island for good.



Nearly 30 Sri Lankan protesters hold banners in Tokyo, Japan, denouncing the Japanese government's financial support of the Liberation Tigers of Tamil Eelam (LTTE), a Tamil group formed in opposition to the Sinhalese majority government in Sri Lanka. © AP Photo/Akio Suga



VII. Performance Results

PERFORMANCE GOAL 1

Close, strong, and effective U.S. ties with allies, friends, partners, and regional organizations

I/P #1: AN ENHANCED AND EXPANDED EURO-ATLANTIC PARTNERSHIP

Promote stability, security, democracy, and prosperity within the region and build support for U.S. strategic goals beyond Europe.

OUTPUT INDICATOR

Indicator #1: Implementation of Adapted Conventional Forces in Europe (CFE) Treaty

FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. CFE adaptation negotiations continued. 2. Adapted Treaty and Final Act signed at Istanbul.
	2001	<ol style="list-style-type: none"> 1. Second Review Conference of CFE Treaty successfully concluded and advanced U.S. and NATO interests. 2. NATO remained firm in demanding Russian compliance with Istanbul commitments. 3. Russia made initial progress towards implementing Istanbul commitments.
	2002	<ol style="list-style-type: none"> 1. Russia fulfilled its Istanbul commitment on the flank issue, reduced its flank equipment to Adapted Treaty levels, and discharged its Istanbul commitments for CFE equipment in Georgia and Moldova. 2. Russia needs to reach agreement with Georgia on remaining issues regarding Gudauta base and its future use, and the duration of Russian presence in Batumi and Alkhalkalai. Russia also needs to complete the removal and destruction of munitions and small arms in Moldova. 3. Conditions for U.S. ratification of Adapted CFE Treaty have not yet been met.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. The situation in Moldova, which had been improving earlier in 2003, then stalled at mid-year, is now again proceeding toward resolution; however, the trains moving ammunition and equipment out of Moldova are running only on a modest schedule. 2. It is clear that Russia will not meet the December 31, 2003, deadline to withdraw forces from Moldova. 3. Progress on Georgia has been stalled for most of 2003, though there are now indications that Georgia and Russia will meet soon to resume discussions on implementing the commitment regarding Georgia. 4. Russia remains in compliance with Adapted CFE Treaty Flank Limits.
	Target	Russia fulfills all Istanbul commitments (troop withdrawal from Georgia and Moldova), allowing for U.S. ratification and entry into force of the Adapted CFE Treaty.
	Rating	■ Significantly Below Target
	Impact	The continued inability to begin the process of achieving entry into force of the Adapted CFE Treaty will undercut the level of confidence and predictability achieved by the current CFE Treaty.
	Other Issues	<p>Reason for Performance Shortfall: Russia has not made the difficult political decisions necessary to fulfill its commitments regarding Georgia and Moldova.</p> <p>Steps to be Taken to Improve Performance: The U.S. will increase the level of pressure on Russia by making this a topic for senior exchanges.</p>

In Tbilisi, Georgia, Ambassador Miles at deployment of Georgian military personnel to Baghdad to join the coalition forces in Iraq.

Department of State Photo




I/P # 2: REGIONAL STABILITY IN EAST ASIA AND THE PACIFIC		
Use diplomacy to foster stability in the EAP region.		
OUTCOME INDICATOR		
Indicator #2: Status of U.S.-South Korean Relations		
FY RESULTS HISTORY	2000	N/A
	2001	Baseline: Began interagency discussion of the Future of U.S.-South Korean Alliance.
	2002	1. Began U.S. and Republic of Korea (ROK) negotiations on the Future of the Alliance (FOTA).
FY 2003 DATA	2003 Results	Talks between the U.S. and ROK on the FOTA produced a timetable and division of costs for the reconfiguration of U.S. Forces in Korea during 2004 – 2008.
	Target	1. Negotiations on the future of U.S.-South Korean alliance. 2. Begin reconfiguration of U.S. Forces in South Korea.
	Rating	■ On Target
	Impact	The Republic of Korea is anxious about moving U.S. troops away from the Demilitarized zone. The realignment of troops is perceived as a weakening of the U.S. and ROK alliance and weakening of the deterrent against the North.
	Other Issues	Although there was some discussion of the U.S. and ROK working on Confidence Building Measures with the DPRK, these proposals were never fully developed. The reconfiguration of U.S. forces in Korea is a much better measure of the strength of the U.S.-South Korean Relationship.
OUTCOME INDICATOR		
Indicator #3: Status of Chinese Cooperation on Regional Stability		
FY RESULTS HISTORY	2000	Cooperation on regional security selective and episodic.
	2001	1. Limited Chinese tension-reducing diplomatic efforts toward North Korea and South Asia. 2. China cooperated in encouraging North Korean openness and dialogue.
	2002	1. China continued to urge Pakistan and India to avoid conflict and reduce tensions. There was a continuing impasse on Cross-Strait dialogue. 2. China encouraged North Korean openness and multilateral dialogue to end its nuclear weapons program. China's public statements at APEC ministerial were helpful in maintaining a nuclear weapons-free Korean Peninsula.
FY 2003 DATA	2003 Results	1. China discussed its bilateral border disputes with South Asian officials. 2. China played a crucial role in facilitating multilateral talks with North Korea on maintaining a nuclear weapons-free Korean peninsula.
	Target	China increases coordination on security issues related to the Korean Peninsula and South Asia with the United States and the international community.
	Rating	■ On Target
	Impact	China's forward progress regarding coordination of regional security issues will contribute to regional stability in this region.




PERFORMANCE GOAL 2

Existing and emergent regional conflicts are contained or resolved

INITIATIVE/ PROGRAM (I/P) #3: CONFLICT MANAGEMENT AND RESOLUTION		
Use a variety of diplomatic and foreign assistance tools to turn despair into hope.		
OUTCOME INDICATOR		
Indicator #1: Number of African Armed Conflicts Resolved and Peace Support Missions Concluded		
FY RESULTS HISTORY	2000	Baseline: Six armed conflicts ongoing. Four peace support missions active.
	2001	One conflict resolved (Ethiopia-Eritrea).
	2002	Conflicts Resolved: The war in Sierra Leone was effectively over and the peacekeeping mission was scaled down; peace-building activities continued using U.S. and other funding. Peace Support Mission Concluded: Program activities such as the West Africa Stabilization Program and the African Contingency Operations Training and Assistance Program (ACOTA) ensured that the Economic Community of West African States (ECOWAS) troop contributors are better able to meet the demands of peacekeeping operations.
FY 2003 DATA	2003 Results	Conflicts Resolved: <ul style="list-style-type: none"> ● Democratic Republic of Congo: Large-scale conflict resolved with inauguration of a transitional Government of National Unity in July 2003. ● Burundi: Conflict partially resolved; fighting continues. Ceasefire reached with the largest rebel group, the Forces for the Defense of Democracy (FDD); implementation negotiations ongoing at year-end; prospects fair for agreement in FY 2004. ● Liberia: The Liberian civil war deteriorated starting in May 2003. Peace talks began in Ghana in June 2003 and a comprehensive peace agreement was signed on 18 August. The U.S. provided nearly \$26 million in logistics support to enable the deployment of ECOWAS peacekeeping forces. Peace Support Missions Concluded: <ul style="list-style-type: none"> ● Angola: Peace support mission withdrawn.
	Target	1. One conflict resolved (Burundi). 2. One peace support mission withdrawn (Angola).
	Rating	 On Target
	Impact	<ul style="list-style-type: none"> ● Angola: Peace has been sustained for the first time since independence. The humanitarian crisis is on the way to resolution. Foreign investment and economic development are increasing. Preparations are underway for parliamentary and presidential elections projected for mid-2005. The vast majority of Internally Displaced Persons (IDPs) have been resettled. UNITA has been demilitarized and disarmed, and is transitioning to a political party. ● Burundi: Civilians continue to face severe hardship due to continued fighting between Burundian military and rebel forces in several areas of the country. Significant economic devastation from the decade-long conflict is the major challenge to future peace and democratization efforts. ● Democratic Republic of Congo: Optimism in country very high due to inauguration of the transitional government, end to major conflict, and indications that the situation in the east is improving. Heavily Indebted Poor Country debt relief approved by Paris Club, and African Growth and Opportunity Act eligibility extended to DRC by President Bush due to continued positive developments in implementation of both political and economic reforms. ● Liberia: As a result of the U.S. assistance, peace is returning to Monrovia where the bulk of the Liberians live. Internally Displaced Persons (IDPs) are starting to return although there remains much suffering in the countryside and some skirmishing continues.



I/P #4: INDO-PAK RELATIONS/KASHMIR			
Indo-Pak tensions are reduced and stability is advanced in Kashmir.			
OUTCOME INDICATOR			
Indicator #2: Status of Relations Between Pakistan and India on Kashmir			
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> Continued military action by both sides along the line of control (LOC). Existing CBMs ignored. Pakistan providing materiel assistance and training to groups fighting in Kashmir. Poor channels of communication. 	
	2001	<ol style="list-style-type: none"> From November 2000 to May 2001, Indian offensive security force operations suspended; militant infiltration and attacks continued. Agra Summit broke down over communiqué wording. 	
	2002	<ol style="list-style-type: none"> Major terrorist attacks brought India and Pakistan close to war, but U.S. and U.K. diplomatic intervention helped ease tensions, and Pakistan took actions against Kashmiri jihadist militants. India successfully held elections in Kashmir. 	
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> Infiltration continued throughout the year. Militant training camps and related infrastructures in Pakistan were not substantially disbanded although some were deactivated for periods over the summer. Militant groups in Pakistan have been and remain proscribed. Military forces on both sides returned to pre-crisis locations and readiness levels. India and Pakistan renewed diplomatic contact. Indian PM Vajpayee launched a major new peace initiative in April, which Pakistani PM Jamali welcomed. India and Pakistan returned High Commissioners, restored some transportation links, and engaged in numerous people to people – including legislative – exchanges. However, official talks have not started. 	
	Target	<ol style="list-style-type: none"> Infiltration is substantially reduced; number of terrorist attacks declines significantly from 2000-2002 average. Militant training camps and related infrastructures in Pakistan are substantially dismantled. Military forces on both sides return to pre-crisis locations and readiness levels. India and Pakistan resume diplomatic contact. 	
	Rating	 Slightly Below Target	
	Impact	<p>Hopes raised by the April peace initiative and subsequent confidence building measures have been deflated by continued violence and infiltration, and failure to start official bilateral talks has dampened expectations. Without strong action to restore momentum, there is a serious risk of a slide back into crisis.</p>	



I/P #5: PEACEKEEPING PARTICIPATION

Military assistance, including Peacekeeping Operations (PKO), is a key instrument in the realization of U.S. regional stability goals.

OUTPUT INDICATOR

Indicator #3: Number of U.S. Peacekeeping Operation (PKO)-Trained Countries That Participate in International PKO

FY RESULTS HISTORY	2000	N/A
	2001	Baseline: 17
	2002	18
FY 2003 DATA	2003 Results	28 <ul style="list-style-type: none"> Twenty eight of the twenty-nine countries that have received U.S. Enhanced International Peacekeeping Capabilities (EIPC) funding have subsequently participated in international peacekeeping operations.
	Target	20
	Rating	■ Significantly Above Target
	Impact	<ul style="list-style-type: none"> The pool of quality force contributions is increased, offering greater latitude to the UN and U.S., when seeking participants in global peacekeeping operations. <p>Examples of participation include,</p> <ul style="list-style-type: none"> Thailand, an EIPC recipient that had no peacekeeping history or interest in 1999, has become one of the leading Asiatic peacekeeping nations, having established a permanent training center and heavily supported UN operations in East Timor. Jordan, an EIPC recipient, has become a leader in the Middle East supporting global peacekeeping, and has committed substantial national resources to establish and build a new peacekeeping training center.
	Other Issues	Reason for Significantly Exceeding Performance Target: From 2001 to the present there has been a significant global increase in the demand for peacekeepers, not only for new and existing UN-sponsored missions, but for non-UN international peace support operations sponsored by coalitions and lead-nations. In 2002 and 2003, the U.S. provided PKO training to more new countries than had been anticipated when this performance target was first established, and countries provided with assistance were more actively sought out to participate in the range of operations on-going.



I/P #6: RESTRICT ADVANCED CONVENTIONAL WEAPONS (ACW) TRANSFERS		
The transfer of advanced conventional arms to states of concern is constrained.		
OUTPUT INDICATOR		
Indicator #4: Effectiveness of Wassenaar Arrangement (WA) Control Lists		
FY RESULTS HISTORY	2000	Control levels/parameters for some WA items are too high. Because some technologies are available globally, they are effectively uncontrolled. U.S. insistence on retaining those control levels has created problems with allies and threatens to undermine the WA as an arms control regime.
	2001	<ol style="list-style-type: none"> 1. Agreement in the WA to add reporting on two new sub-categories of military vehicles. 2. Within the WA, Russia alone continues to oppose mandatory reporting for small arms and light weapons, Man Portable Air Defense Systems (MANPADS), and warships down to 150 tons.
	2002	<ol style="list-style-type: none"> 1. No new categories were added to WA control lists, but progress was made in this multi-year effort. 2. Within the WA, Russia alone continues to oppose mandatory reporting for small arms and light weapons, MANPADS, and warships down to 150 tons.
FY 2003 DATA	2003 Results	<p>Within WA control lists, certain categories of weapons are being expanded, some widely available (and thus uncontrollable); dual-use items were dropped, and MANPADS has made considerable progress with energetic cooperation from Russia, the UK, and other countries.</p> <p>Over the past ten years, the value of shipments of conventional weapons to state sponsors of terrorism has fallen by nine-tenths, and illicit shipments to other destinations also have fallen. Tools include bilateral demarches and intelligence liaison, strengthening of norms in the Wassenaar Arrangement and other international fora, sanctions, law enforcement, and (potentially) direct interdiction. Results have been better than expected, especially since Iraq is no longer importing conventional weapons.</p>
	Target	<ol style="list-style-type: none"> 1. Prompt reporting of arms transfers on the Wassenaar Arrangement Information System (WAIS). Reporting of denials of arms transfers, and notification before undercutting a previous dual-use denial. 2. Have 122 states participate in the UN Register of Conventional Arms Transfers. 3. Sharing of "best practices" papers on effective export control practices within the WA.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	Fewer illicit transfers of conventional weapons mean fewer and less deadly conflicts, and thus greater security for the United States.

VIII. Program Evaluations and PART Reviews

Three OMB PART reviews for the FY 2004 budget process were conducted in FY 2003 that pertained to this Strategic Goal.

- 1) Peacekeeping Operations — OSCE (OMB PART)
- 2) Military Assistance to New NATO and NATO Aspirant Nations (OMB PART)
- 3) Security Assistance to Sub-Saharan Africa (OMB PART)

Detailed information on major findings, recommendations, actions to be taken, and PARTs can be found in the "OMB PART Summaries" appendix.



STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

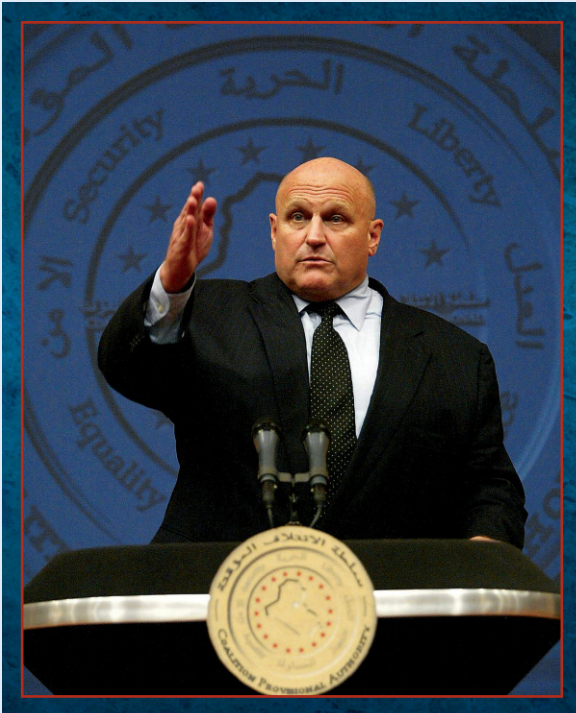
STRATEGIC GOAL 2: COUNTERTERRORISM

Prevent attacks against the United States, our allies, and our friends, and strengthen alliances and international arrangements to defeat global terrorism

I. Public Benefit

The tragic events of 9/11 demonstrated the gravity of the threat international terrorists pose to the United States and its citizens, at home and abroad. With a presence in some 60 countries, Al-Qaeda continues to be of great concern, although it has been significantly weakened by U.S. actions in the past two years. The Department has the lead in international aspects of the Global War on Terrorism (GWOT), which remains its top priority. In every corner of the globe, the Secretary, other senior officials, and Ambassadors have pressed their counterparts for expanded cooperation and intensified efforts against terrorists. Through such effective diplomacy, the U.S. has developed and leads a worldwide coalition that acts to suppress terrorism on all fronts: military, intelligence, law enforcement, public diplomacy and financial. In collaboration with its partners in other agencies and in other countries, the Department will remain committed to combating terrorist networks

wherever they exist, until the mission is accomplished and Americans are secure from such threats. To date, the Department has mobilized some 180 countries and territories in the GWOT to identify, disrupt and destroy international terrorist organizations. Over 3,000 terrorist suspects have been arrested, and over \$138 million in terrorists' assets have been blocked by over forty foreign governments. Key to the ability to mobilize effective action by our foreign partners is the provision of training to those who want to help but lack the means. Since 9/11, these programs, including programs on anti-terrorist assistance, terrorist interdiction, and terrorist finance, have significantly improved the abilities of many countries to be effective partners.

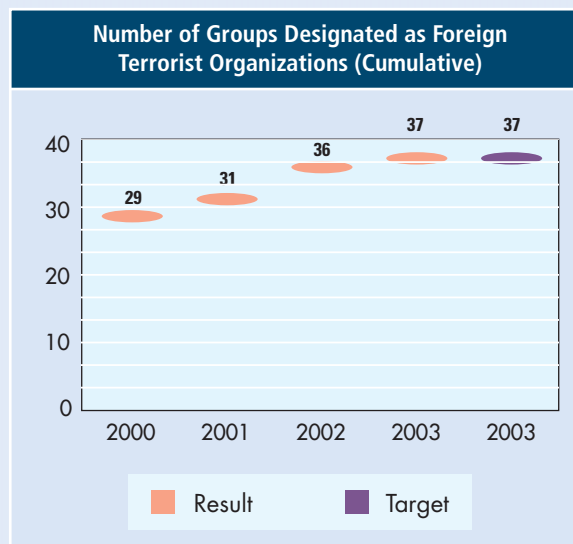
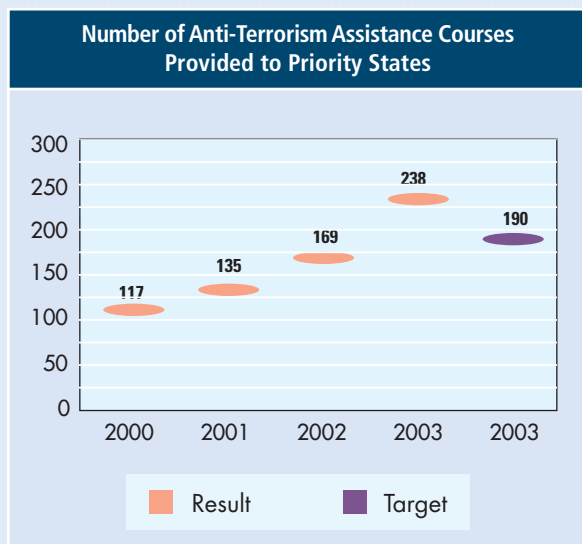


U.S. Deputy Secretary of State Richard Armitage gestures during a press conference in the headquarters of the U.S.-led occupation force in Baghdad.

© AP Photo/Ali Haider



II. Selected Performance Trends



III. Strategic Context

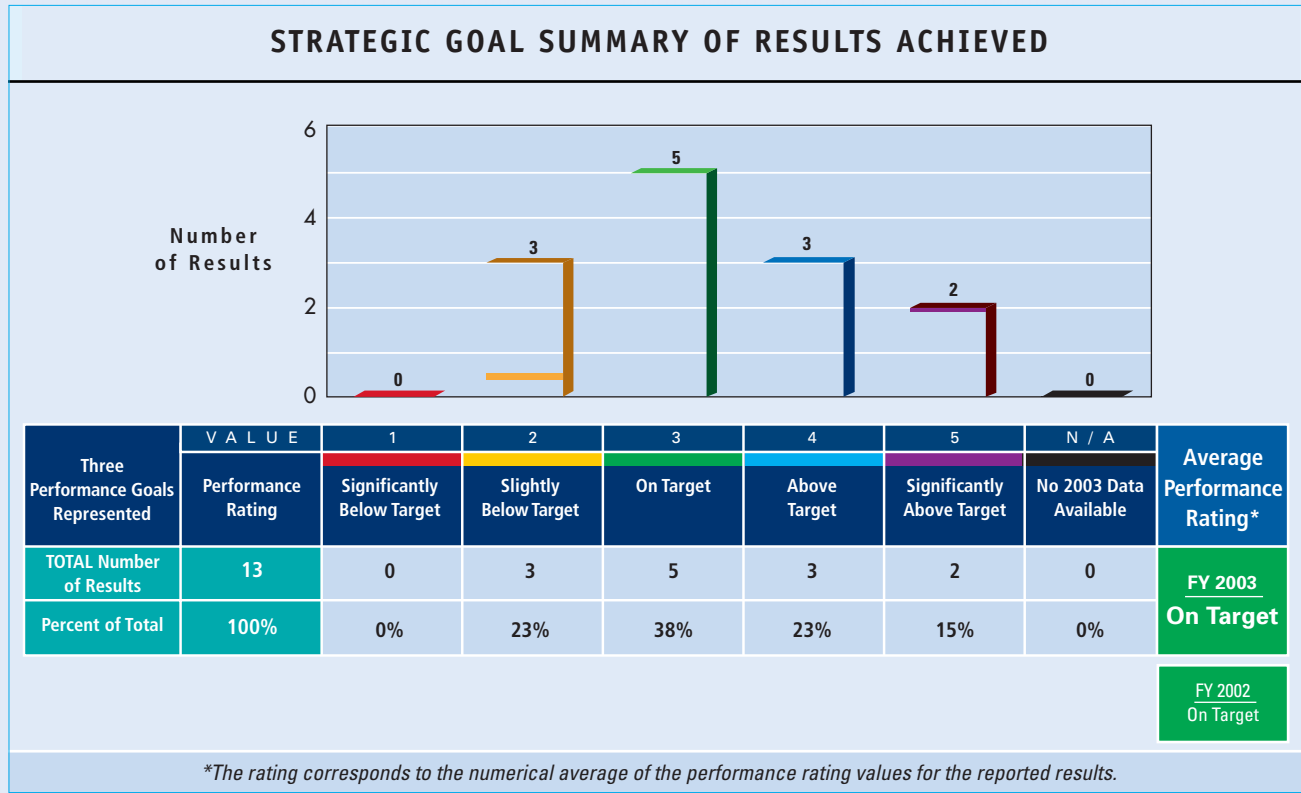
The Counterterrorism strategic goal is supported by three performance goals. Shown below are the performance goals, initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Counterterrorism	Active Anti-Terrorist Coalitions	Diplomatic Engagement	Coordinator for Counterterrorism	UN
		Anti-Terrorism Assistance	Coordinator for Counterterrorism, Diplomatic Security	N/A
		Meeting International Standards	Coordinator for Counterterrorism	N/A
	Freezing Terrorist Financing	Designations of Terrorist Organizations	Economic and Business Affairs, International Narcotics and Law Enforcement, Coordinator for Counterterrorism, International Organization	Treasury, DOJ
		Counterterrorism Financing and Technical Assistance	Economic and Business Affairs, Coordinator for counterterrorism, International Narcotics and Law Enforcement	Treasury, DOJ
	Prevention and Response to Terrorism	Foreign Emergency Support Team	Coordinator for Counterterrorism	DoD, DOE, FBI, CIA, DHS
		Technical Support Working Group	Coordinator for Counterterrorism, Economic and Business Affairs	Treasury
		Money Laundering and Terrorist Financing	International Narcotics and Law Enforcement, Coordinator for Counterterrorism	Treasury, FATF, UN, G-8, DOJ, DHS
	Diminished Terrorism Conditions	Accomplishment of this performance goal is the responsibility of USAID.		

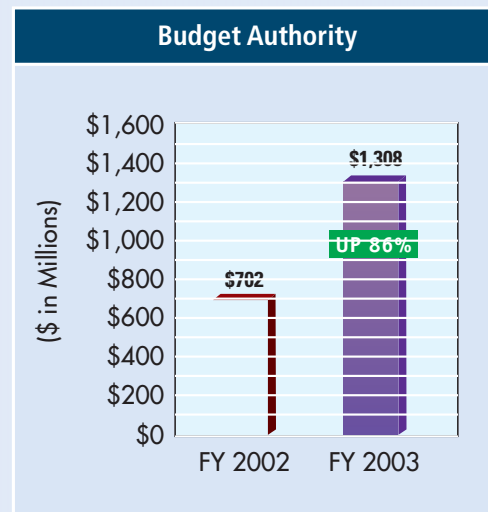
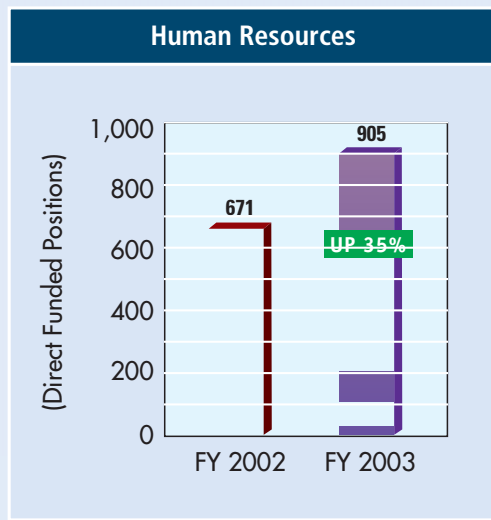


IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Counterterrorism strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", unchanged from last year's "on target" rating.



V. Resources Invested



VI. Illustrative Example of Significant Achievement

Pakistan Alliance



An indication of the mood of Pakistan border security personnel at the Pakistan-India frontier crossing Wagha, some 27 kilometers south of Lahore, Pakistan, shortly after a grenade attack on a crowded market in which two civilians were killed.

© AP Photo

Pakistan is a key U.S. ally in the war against terrorism. Nearly 500 al-Qaida suspects have been arrested in Pakistan and many of them have been handed over to the United States. Those captured include senior al-Qaida suspects, such as Khalid Shaikh Mohammed, who was arrested in March 2003 and is believed to be the No. 3 leader in al-Qaida and a suspected planner of the September 11 terror attacks. Adil Al-Jazeeri, a suspected Osama bin Laden aide, was recently arrested by Pakistani authorities and turned over to the U.S. Pakistan's relationship with India is a crucial element of this complex issue.



Deputy Secretary of State Richard Armitage, left, and Indian Prime Minister Atal Behari Vajpayee gesture during talks in New Delhi, India. Armitage held talks with Indian leaders to encourage the unfolding peace initiative between nuclear-armed India and Pakistan. © AP Photo/Ajit Kumar



VII. Performance Results

PERFORMANCE GOAL 1

Coalition partners identify, deter, apprehend and prosecute terrorists

INITIATIVE/PROGRAM (I/P) #1: DIPLOMATIC ENGAGEMENT



Ensure that the policies, plans and activities of foreign governments support United States objectives in the Global War on Terrorism (GWOT) through intense diplomatic engagement.

INPUT INDICATOR

Indicator #1: Number of Bilateral and Multilateral Counterterrorism (CT) Consultations with Key Partners

FY RESULTS HISTORY	2000	6
	2001	9
	2002	13
	2003 Results	25 <ul style="list-style-type: none"> Three multilateral counterterrorism conferences and twenty-two bilateral conference/workshops were completed in FY 2003.
FY 2003 DATA	Target	25
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	U.S.-sponsored multilateral and bilateral conferences/workshops succeeded in reinforcing the political will of the participating states and building their capacity to detect, deter and fight global terrorism. For example, <ul style="list-style-type: none"> In preparation for the 2004 Summer Olympic Games in Athens, Greece, two senior policy bilateral conferences were held with more than 200 participants from all directorates within the Government of Greece and the USG. At the second conference, Greek experts briefed a forty member USG team on the Greek Operational Security Plan under development for the Olympic Games. The US side provided frank assessment and constructive advice to the Greek officials on the merits of their plan developed to prevent terrorism during the Games. In October 2003, in conjunction with the United Nations, the OAS Inter-American Committee Against Terrorism hosted a meeting of Regional and Subregional Organizations on Counterterrorism Cooperation. Senior Department officials to engage Argentina, Brazil, and Paraguay against terrorism as part of the "3+1" counterterrorism dialogue.



I/P #2: ANTI-TERRORISM ASSISTANCE (ATA)		
Develop the capacity of priority CT countries to combat terrorism.		
OUTPUT INDICATOR		
Indicator #2: Number of ATA Courses Provided to Priority States and the Number of Program Reviews that are Conducted Not Later Than 18 Months After the Training		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 117 ATA courses provided to forty-two states. Five program reviews conducted.
	2001	<ol style="list-style-type: none"> 135 ATA courses provided to forty-nine states. Fourteen program reviews conducted.
	2002	<ol style="list-style-type: none"> 160 ATA courses provided to forty-one states. Sixteen program reviews conducted.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 238 ATA courses provided to fifty states. (also included 23 "mini-courses") Fourteen program reviews conducted.
	Target	<ol style="list-style-type: none"> 190 ATA courses provided to fifty states. Sixteen program reviews conducted.
	Rating	<ol style="list-style-type: none">  Significantly Above Target  Slightly Below Target
	Impact	<ul style="list-style-type: none"> The United States increased the capability and willingness of 50 countries to participate in the Global War on Terrorism. In the past year there has been an increase in the number of terrorists arrested in participant countries as well as documented cases of disrupting terrorist planning.
	Other Issues	Reason for Significantly Exceeding Performance Target: ATA employed lower cost "mini-courses" of one-week duration to address country specific issues and introduced the delivery of some classroom based courses overseas resulting in cost savings on student travel and per diem. These low costs methods allowed ATA to conduct more events.

Indonesia's National Police Chief Gen. Da'i Bachtiar, center, speaks during a press conference in Jakarta. Following the arrest of Hambali, the alleged al-Qaida's point man was interrogated by U.S. authorities at an undisclosed location over his role in the September 11 attacks.

© AP Photo/Dita Alangkara



I/P #3: MEETING INTERNATIONAL STANDARDS

Encourage countries to become parties to the 12 International Counterterrorism Conventions, and meet their obligations under UN Security Council Resolution (UNSCR) 1373.

OUTPUT INDICATOR

Indicator #3: Number of States That Have Periodically Submitted Required Reports to the UN Security Council, Corresponding to the Multiple Stages of Implementation of United Nations Security Council Resolution (UNSCR) 1373

FY RESULTS HISTORY	2000	UNSCR 1373 was passed in September 2001; it did not exist in 2000.
	2001	UN Counterterrorism Committee (CTC) established to monitor and assist members in implementing UNSCR 1373.
	2002	174
FY 2003 DATA	2003 Results	191 (all member states of the United Nations)
	Target	145
	Rating	■ Above Target
	Impact	The universal participation of UN member states in the UNSCR 1373 process establishes a genuine foundation for effective multilateral cooperation on counterterrorism, beyond the strictly legal requirement of the resolution. By submitting reports, several countries have identified laws and practices that could be improved. The Government of the Philippines, for example, last year passed a tougher antiterrorism financing law to meet the international standards cited in UNSCR 1373.
	Other Issues	UNSCR 1455 (January 2003) imposed a new requirement on UN Member States to report by April 2003 on measures taken to implement sanctions against Al Qaida/Taliban names listed on the 1267 Sanctions Committee. According to a report issued by the Committee in December, 108 countries had not complied with this requirement.



PERFORMANCE GOAL 2

U.S. and foreign governments actively combat terrorist financing

I/P #4: DESIGNATIONS OF TERRORIST ORGANIZATIONS

Designate Foreign Terrorist Organizations (FTOs) and submit al-Qaeda-related individuals and entities to the UN 1267 Committee.

OUTPUT INDICATOR

Indicator #1: Yearly Number of Names Designated Under E.O. 13224 for Terrorist Asset Freezing

FY RESULTS HISTORY	2000	N/A
	2001	Baseline: 136 names were designated by the U.S.
	2002	Eighty-nine names were designated.
FY 2003 DATA	2003 Results	Eighty additional terrorist-related individuals and entities were named.
	Target	Eleven names designated.
	Rating	■ Significantly Above Target
	Impact	Designation under EO 13224 blocks property and makes contributions illegal. These are powerful legal tools in the fight against global terrorism. These designations disrupt FTO activity and demonstrate firm U.S. resolve to oppose terrorism.
	Other Issues	Reason for Significantly Exceeding Performance Target: Prerequisite legal frameworks were established and, coupled with enhanced cooperation among federal agencies, contributed to the successful delivery of a greater number of terrorist-related individuals and entities to the UN 1267 Committee than originally thought possible.

STOP THE FLOW OF BLOOD MONEY!

International terrorism directed against Americans is financed by money sent to terrorists from sources around the world. To avoid future incidents, the U.S. Government is offering a reward of up to \$5 million for information leading to the dismantling of any system used to finance a terrorist organization and information leading to the arrest or conviction of those who planned or aided in any act of terrorism against U.S. persons or property.

If you have any information about individuals or organizations that finance terrorists, please call 1-866-867-8300 in the U.S.; outside the U.S. contact the nearest U.S. embassy or consulate.

Up to \$5 Million Reward • Responses Kept Strictly Confidential

A campaign by the Departments of State and Treasury to combat terrorism financing.

International terrorism directed against Americans is financed by money sent to terrorists from sources around the world. To avoid future incidents, the U.S. Government is offering a reward of up to \$5 million for information leading to the dismantling of any system used to finance a terrorist organization and information leading to the arrest or conviction of those who planned or aided in any act of terrorism against U.S. persons or property.

Department of State Photo



I/P #4: DESIGNATIONS OF TERRORIST ORGANIZATIONS *Continued*


INPUT INDICATOR		
Indicator #2: Yearly Number of Names Added to the UN 1267 Sanctions Committee's Consolidated List		
FY RESULTS HISTORY	2000	N/A
	2001	Baseline: 153 Taliban-related and 27 al Qaeda-related names were added to the 1267 Committee's List.
	2002	One hundred and fifty-nine al Qaeda names were added to the 1267 Committee's List.
FY 2003 DATA	2003 Results	Sixty-four names (14 entities and 50 individuals) were added between October 2002 and September 2003.
	Target	Sixty-five
	Rating	■ On Target
	Impact	UN member states are obligated to freeze without delay any assets identified with designated names, thereby depriving terrorists and supporters of these assets. Continuing efforts to freeze assets of individuals and entities newly determined to be involved in the financing of terrorism has circumscribed the ability of terrorists to fund their activities, and limited their ability to redirect the movement of assets from listed entities to new ones.
OUTPUT INDICATOR		
Indicator #3: Number of Countries Submitting Names to the UN 1267 Sanctions Committee's Consolidated List		
FY RESULTS HISTORY	2000	N/A
	2001	Baseline: No foreign countries submitted names to the 1267 Sanctions Committee.
	2002	Eight foreign countries submitted al-Qaeda-related names to the 1267 Sanctions Committee.
FY 2003 DATA	2003 Results	Forty-three foreign countries submitted al-Qaeda names to the 1267 Sanctions Committee between October 2002 and September 2003.
	Target	Forty names
	Rating	■ Above Target
	Impact	Countries submitting names demonstrate global effort which reduces options for terrorist financing to exist. Continuing efforts to freeze assets of individuals and entities newly determined to be involved in the financing of terrorism has circumscribed the ability of terrorists to fund their activities, and limited their ability to redirect the movement of assets from listed entities to new ones. The active participation of 50 countries in 2003 to propose individuals and entities for inclusion in the Consolidated list demonstrates international commitment to a robust, dynamic designation process.



I/P #4: DESIGNATIONS OF TERRORIST ORGANIZATIONS *Continued*

INPUT INDICATOR

Indicator #4: Number of Groups Designated as Foreign Terrorist Organizations (FTOs) Pursuant to U.S. Law and Timeliness of Review of Such Groups

FY RESULTS HISTORY	2000	1. Twenty-nine groups designated as FTOs pursuant to U.S. law.
	2001	1. Thirty-one groups designated as FTOs per U.S. law. 2. Twenty-eight FTOs reviewed for re-designation, twenty-five groups re-designated (two groups consolidated into one) and two other groups dropped from the list.
	2002	1. Two more organizations designated as FTOs, bringing the total to thirty-three. 2. Five groups were under review for possible FTO designation.
FY 2003 DATA	2003 Results	1. Three more new FTOs were designated, bringing the total to thirty-six. One FTO designation was amended to reflect its name change. 2. All twenty-seven FTO designations due to expire during FY 2003 were reviewed and re-designated on time.
	Target	1. Complete all FTO reviews. 2. No new addition pending for more than four months.
	Rating	 On Target
	Impact	Designation of FTOs makes material support illegal, blocks assets, and makes representatives inadmissible to the US. These are powerful legal tools in the fight against global terrorism. FTO designations and re-designations demonstrate firm US resolve to oppose terrorism.



I/P #5: COUNTERTERRORISM FINANCING TRAINING AND TECHNICAL ASSISTANCE

Provide training and technical assistance to countries whose financial systems are vulnerable to abuse.

OUTPUT INDICATOR

Indicator		#5: Number of U.S. Training and Assistance Programs and Assessments Delivered to Priority States to Help Combat the Financing of Terrorists
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: <ol style="list-style-type: none"> Nineteen states listed as priority states. Nine assessments were conducted by U.S. interagency financial systems assessment teams. Ten of the nineteen priority assistance countries were assessed by U.S. interagency financial systems assessment teams (FSAT) and ten training and technical assistance plans were developed. Some form of training and technical assistance delivered to 15 of the 19 countries (training in one of the five functional areas: legal framework, financial/regulatory, financial intelligence unit, prosecutorial/judicial, financial investigations).
FY 2003 DATA	2003 Results	Fifteen assessments completed. Fifteen of the targeted nineteen states are now receiving training and technical assistance.
	Target	Complete assessments for seventeen of nineteen priority states.
	Rating	<div></div> Slightly Below Target
	Impact	The delivery of substantive counterterrorist finance assistance has had a significant impact on furthering U.S. and Coalition objectives in the Global War on Terrorism. The assessments have allowed the USG and host nations to focus limited resources on key areas involving the detection of money laundering and terrorist financing cases. The delivery of assistance has resulted in the creation of counterterrorist regimes that have improved the ability of our key allies to identify, freeze, disrupt and dismantle terrorist financing networks.
	Other Issues	Indicator changed to better reflect the Department's focus, which is to deliver effective assistance to priority states. Previous indicator focused on the number of countries instituting undefined measures to help combat terrorist financing.



PERFORMANCE GOAL 3

Coordinated international prevention and response to terrorism, including bioterrorism

I/P #6: FOREIGN EMERGENCY SUPPORT TEAM (FEST)		
Provide U.S. Ambassadors with advice, assistance, and assessments concerning terrorism-related issues.		
INPUT INDICATOR		
Indicator #1: Degree of Support for Combatant Commanders' CT Exercise Programs and the Chairman of the Joint Chiefs of Staff (CJCS) Sponsored, No-Notice CT Exercise		
FY RESULTS HISTORY	2000	FEST participated in two of the Combatant Commanders' national- and International-level counter-terrorist exercises.
	2001	FEST participated in two national- and international-level counter-terrorist exercises and the CJCS-sponsored, no-notice counter-terrorist exercise.
	2002	<ol style="list-style-type: none"> 1. No exercises scheduled because of Operation Enduring Freedom. 2. Co-chaired the CSG Exercise Sub-Group and developed the next 18 month, national- and international-Level exercise schedule. 3. Finalized Exercise Sub-Group's Operating Charter.
FY 2003 DATA	2003 Results	FEST participated in Chairman of Joint Chiefs of Staff no-notice counterterrorist exercise. The Department participated in TOPOFF II. FEST participated in US Pacific Command's counterterrorist exercise.
	Target	The FEST participates in two of the Combatant Commander's national and international-level counterterrorist exercises, the CJCS no-notice exercise, and the National Level Top Officials (TOPOFF) Exercise.
	Rating	■ Above Target
	Impact	Lessons learned in all exercises will be utilized to implement changes in policies and procedures that will improve U.S. government response to terrorism. Lessons learned will be shared with international partners to enhance their counterterrorism response mechanisms.
	Other Issues	FEST only participated in one Combatant Commander's exercise due to the cancellation of US Southern Command's exercise scheduled for March 2003. Cancellation was a result of the proximity of Operation Iraqi Freedom.



Paulo Vilarinhos, health secretary from Brasilia, Brazil, checks out entomology equipment at a display booth at the American Mosquito Control Association Convention in Minneapolis.

© AP Photo/Janet Hostetter



I/P #7: TECHNICAL SUPPORT WORKING GROUP (TSWG)		
Conduct rapid prototyping and technology development in order to effectively detect, deter, and defend against terrorist attacks.		
EFFICIENCY INDICATOR		
Indicator #2: Degree to Which Currently-Funded Technical Support Working Group (TSWG) Research Projects are Completed On-Time and Within Budget and the Degree to Which the Number of Projects Accepted Is Increased		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: Seventy-five percent of currently funded research projects completed on time and within budget.
FY 2003 DATA	2003 Results	1. Seventy-five percent of FY 2003 projects completed on time and within budget. 2. Five percent increase in number of projects over FY 2002.
	Target	1. Seventy-five percent of currently funded research projects completed on time and within budget. 2. Five percent increase in the number of research projects accepted.
	Rating	<div> <div></div> <div>1. On Target</div> </div> <div> <div></div> <div>2. On Target</div> </div>
	Impact	Over sixty products fielded during FY 2003 are now being used by U.S. counterterrorism elements in intelligence, security, law enforcement, military and first responder communities to enhance capabilities and save lives.

I/P #8: MONEY LAUNDERING AND TERRORIST FINANCING		
Support the Financial Action Task Force (FATF) and Fund the Growing Demand for Assistance for NCCT Countries.		
OUTCOME INDICATOR		
Indicator #3: Status of FATF and Money Laundering List of Non-Cooperative Countries and Territories (NCCT)		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: Seventy-five percent of currently funded research projects completed on time and within budget.
FY 2003 DATA	2003 Results	Two countries are in the initial stages of being removed from the FATF list.
	Target	Two countries removed from the FATF list.
	Rating	<div> <div></div> <div>Slightly Below Target</div> </div>
	Impact	The steady removal of countries and territories from FATF list reduces opportunity for global criminal and terrorist activity.

VII. Program Evaluations and PART Reviews

One OMB PART review for the FY 2004 budget process was conducted in FY 2003 pertaining to this Strategic Goal.

■ Anti-terrorism Assistance (OMB PART)

Detailed information on major findings, recommendations, and actions to be taken for this PART can be found in the "OMB PART Summaries" appendix.



STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

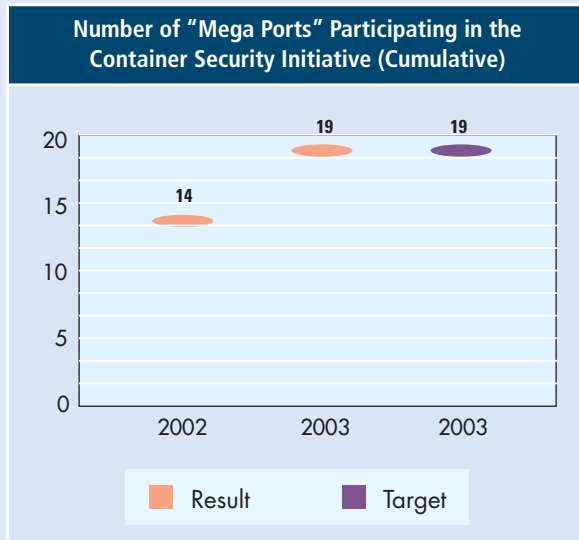
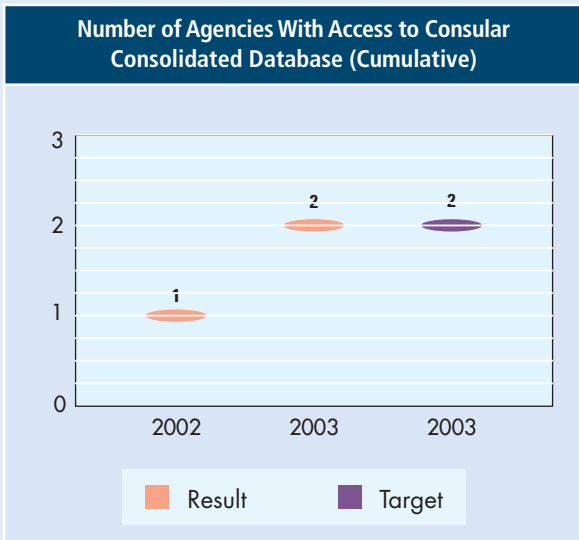
STRATEGIC GOAL 3: HOMELAND SECURITY

Secure the Homeland by Strengthening Arrangements that Govern the Flows of People, Goods, and Services Between the United States and the Rest of the World

I. Public Benefit

The events of 9/11 proved how susceptible the United States and its allies are to those who would do them harm. The Department, together with the newly established Department of Homeland Security (DHS) and other USG agencies, is addressing U.S. vulnerabilities to terrorist attacks and other transnational threats within the United States. The Department is protecting our homeland by strengthening the visa process as a tool to identify potential terrorists and others who should not receive visas and prevent those people from entering the United States. The strengthening of U.S. physical and cyber borders against people who threaten U.S. security requires the security of the global networks of commerce, travel, and communications that enable the vital free flow of bona fide travelers and goods. At the same time, the Department is combating the ability of terrorists to travel, finance their activities, plan and conduct attacks, and recruit and train new adherents.

II. Selected Performance Trends



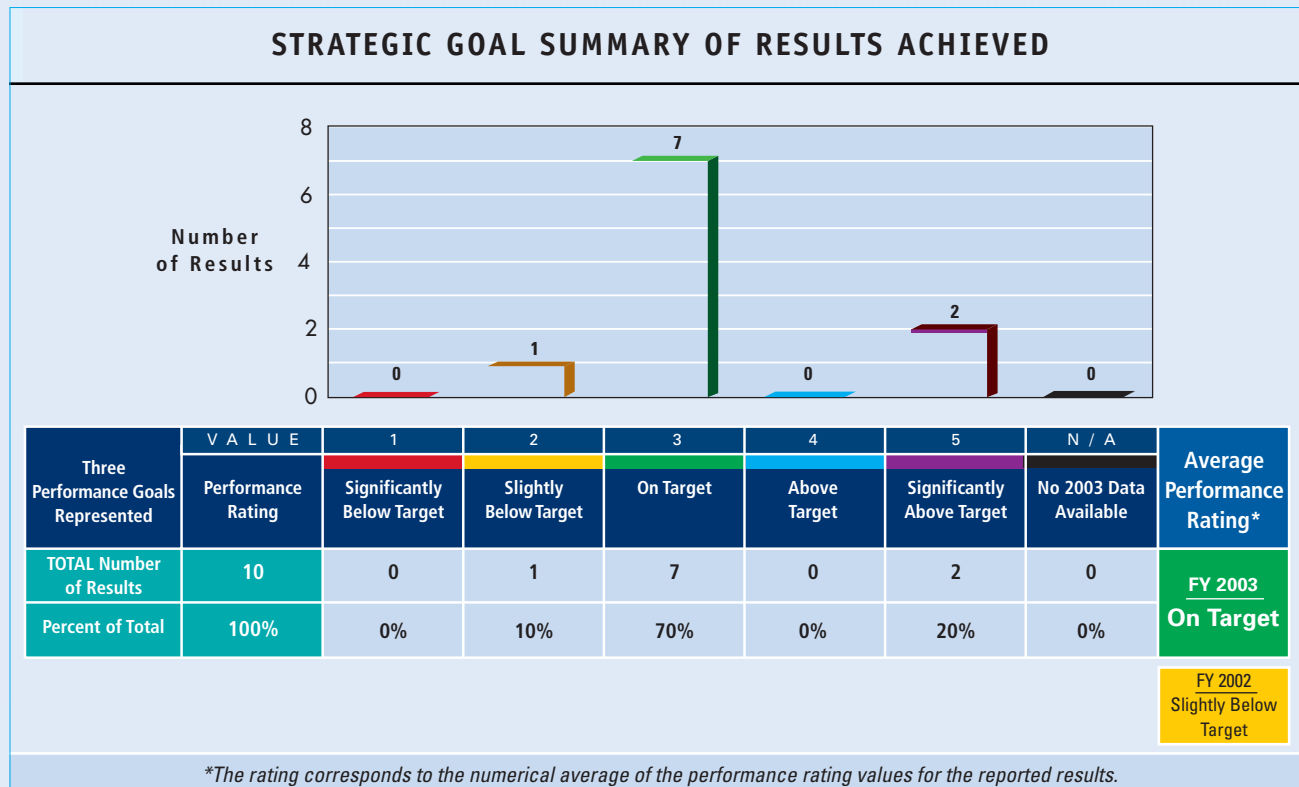
III. Strategic Context

The Homeland Security strategic goal is supported by three performance goals. Shown below are the major initiatives/programs, resources, bureaus and partners that contribute to accomplishment of the strategic goal.

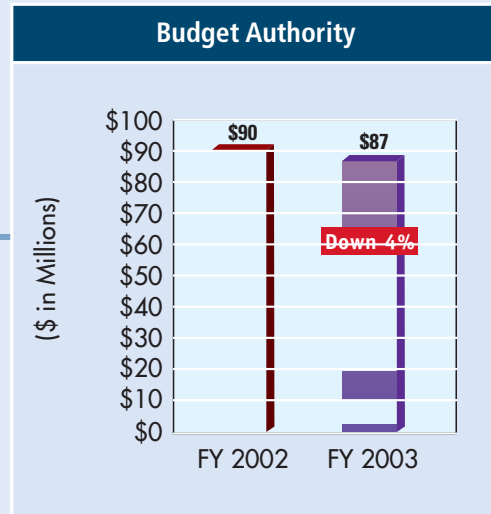
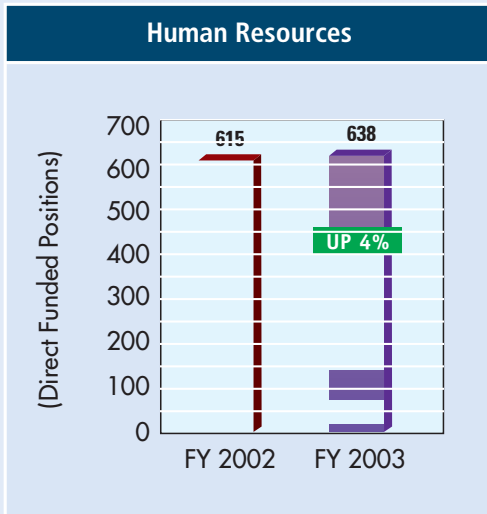
Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Homeland Security	Proper Visa Adjudication	Visa and Consular Services	Consular Affairs	DHS, DOJ, DOL, FBI, CIA, NARA, DOD, SSA
		U.S.-EU Cooperation on Border Security	Consular Affairs, Economic and Business Affairs	DHS
	Border Agreements	U.S.-Canada Smart Border Action Plan, U.S.-Mexico Border Partnership	Western Hemisphere Affairs, International Narcotics and Law Enforcement	DHS
		Container Security Initiative	Economic And Business Affairs	DHS
	Infrastructure Network Protection	Cyber Security	Political-Military Affairs, Economic and Business Affairs	DHS, DoJ, DoD, DoE, DoC, HSC, CIA, FBI, NSA, DIA

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Homeland Security strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", an improvement from last year's "slightly below target" rating.



V. Resources Invested



VI. Illustrative Example of a Significant Achievement

Expanded Use of Biometric and Facial Recognition Technology



The Department has expanded the use of facial recognition (FR) technology to detect fraudulent visa applications. The Kentucky Consular Center (KCC) used FR to disqualify 20,000 potential winners in the annual Diversity Visa lottery based on unallowable duplicate entries. In April, KCC launched a FR pilot for nonimmigrant visas, with thirteen posts participating, representing a cross-section of geographic bureaus. In addition to identifying possible fraud, the results will assist in developing a policy on FR, the globally interoperable biometric selected by the International Civil Aviation Organization for machine-assisted identity confirmation using Machine Readable Travel Documents.

Jurez, Mexico residents Cesar Gallegos and Edgar Gallegos show their laser visa cards at the Paso del Norte Bridge in El Paso Texas. The biometric, machine-readable laser visa cards became mandatory Oct. 1, 2002.

© AP Photo



VII. Performance Results

PERFORMANCE GOAL 1

Denial of visas to foreign citizens who would abuse or threaten the United States, while facilitating entry of legitimate applicants

INITIATIVE/ PROGRAM (I/P) #1: VISA AND CONSULAR SERVICES

Improve ability to process visas and other services while maintaining the ability to detect when it is appropriate to deny a visa.

INPUT INDICATOR

Indicator #1: Number of Other Agencies With Access to the Consular Consolidated Database (CCD)

FY RESULTS HISTORY	2000	0
	2001	0
	2002	1
	2003 Results	2
FY 2003 DATA	Target	2
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	CCD access significantly improves effectiveness of national security and counterterrorism activities conducted by all involved agencies.



Mariana Rodriguez, 20, of Tijuana, Mexico laughs as an Immigration and Naturalization Service inspector comments on her new haircut which looks much different than the photo on her visa as she enters the U.S. at the San Ysidro Port of Entry in San Diego, California.

© AP Photo/David Maung




I/P #1: VISA AND CONSULAR SERVICES <i>Continued</i>		
OUTPUT INDICATOR		
Indicator #2: Percentage of Files Stored Electronically in Accordance With the Requirements of Enhanced Border Security and Visa Entry Reform Act (PL 107-173)		
FY RESULTS HISTORY	2000	0
	2001	0
	2002	100% of the paper files were retained. Preparations for electronic storage began.
FY 2003 DATA	2003 Results	Software is being developed to support Kentucky Consular Center (KCC) scanning of archival material.
	Target	Begin to phase in electronic storage. Begin to scan files on ineligible applicants and begin scanning of select applications.
	Rating	■ On Target
	Impact	<ul style="list-style-type: none"> Adjudicating officers now have immediate access to limited set of non-immigrant visa applications and serious refusal files on-line. This provides rapid access to necessary background information. Refusal notes for newly refused cases are being entered into the CCD which gives adjudicating officers a more complete reference from which decisions can be made.
OUTCOME INDICATOR		
Indicator #3: Development of a Biometrics Collection Program for U.S. Visas		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> Biometric indicators (photo and two fingerprints) were included in non-immigrant Border Crossing Card (BCC). All posts in Mexico collected biometric indicators from applicants, both on- and off-site, and transmitted data electronically to Immigration and Naturalization Service.
	2001	<ol style="list-style-type: none"> Biometric BCC program continued. Facial recognition technology was used to disqualify duplicate entries in Diversity Visa lottery.
	2002	<ol style="list-style-type: none"> Biometric BCC program continued. Production of BCCs at U.S. Embassy in Mexico supplemented BCC production by INS in periods of great demand. Use of facial recognition (FR) technology expanded.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> Developed recommendations on biometric standards for visas. Used Facial Recognition (FR) technology to disqualify over 20,000 from the annual Diversity Visa Lottery for filing duplicate entries. To evaluate FR's full potential for combating visa and passport fraud, launched a facial recognition pilot for nonimmigrant visas. Began worldwide deployment of biometric NIV software, with four posts going live with fingerprint collection in September 2003.
	Target	<ol style="list-style-type: none"> Work with DHS and National Institute of Standards and Technology (NIST) to set a biometrics-based standard for the documentation of the visa process. Continue Biometric BCC program and practical application of FR technology. Begin development work on worldwide biometrics collection.
	Rating	■ Significantly Above Target
	Impact	Section 303 of the Enhanced Border Security and Visa Entry Reform Act of 2002 requires that "Not later than October 26, 2004, the Attorney General and the Secretary of State shall issue to aliens only machine-readable, tamper-resistant visas and travel and entry documents that use biometric identifiers." The results achieved during FY 2003 lay the groundwork for a global biometric enrollment program meeting the requirement of the law.
	Other Issues	The Department partnered with Department of Homeland Security and the NIST on development of biometric standards.



I/P #2: U.S.-EU COOPERATION ON BORDER SECURITY

Enhance cooperation with our European and Eurasian partners to support our systems to identify and interdict terrorists and terrorist threats before they reach our borders.

OUTPUT INDICATOR
Indicator #4: Passenger Name Record (PNR) and Advanced Passenger Information (APIS) Requirements

FY RESULTS HISTORY	2000	Voluntary program to provide the US Customs Service (USCS) and the Immigration and Naturalization Service with passenger information.
	2001	Passenger manifest information taken from visas and passports made mandatory by United States Customs Service.
	2002	<ul style="list-style-type: none"> The Department assisted foreign carriers, particularly air carriers to meet the high performance requirements of 97 percent accuracy. APIS program expanded to cruise vessels.
	2003 Results	Reached a provisional agreement with EU allowing European carriers to provide PNR data beginning in March 2003. The Department of Homeland Security (DHS) offered a number of proposals to meet EU privacy requirements; negotiations have yielded some concessions from the Europeans, but differences remain.
FY 2003 DATA	Target	<ul style="list-style-type: none"> DHS develops software filters to comply with privacy-related undertakings of the European Union. The Department works with foreign governments to gain acceptance/support for data access requirements.
	Rating	 Slightly Below Target
	Impact	Access to PNR data significantly improves aviation and homeland security.
	Other Issues	The U.S. is significantly closer to reaching an agreement with the EU Commission that would allow access to PNR data to DHS without being in violation of EU data privacy laws.



PERFORMANCE GOAL 2

Implemented international agreements stop the entry of materials that could harm the United States, while ensuring the transfer of bona fide materials

INITIATIVE/ PROGRAM (I/P) #3: U.S.-CANADA SMART BORDER ACTION PLAN AND THE U.S.-MEXICO BORDER PARTNERSHIP		
Strengthen the controls over goods that enter the United States.		
OUTCOME INDICATOR		
Indicator #1: Status of the Border Security Initiatives		
FY RESULTS HISTORY	2000	N/A
	2001	Baseline: Dialogue started with the Canadian Government to work together on border issues.
	2002	The 30-point Canadian plan and the 22-point Mexican plan were launched.
FY 2003 DATA	2003 Results	<ul style="list-style-type: none"> All programs proceeding largely on schedule. Slight delay in Advanced Passenger Information/Passenger Name Record API/PNR program with Canada.
	Target	<ol style="list-style-type: none"> Delivery begins on U.S. support to Mexican law enforcement in non-intrusive inspection systems, safety and search and rescue training and equipment, border port management tools, Advanced Passenger Information, and facilitating Mexican access to the U.S. SENTRI system and related programs. Under the 30-point Canadian program, the API/PNR program is underway and is fully in place by early 2003.
	Rating	<div> <div></div> 1. On Target <div></div> 2. On Target </div>
	Impact	Full implementation will allow for more thorough screening of travelers, improving the security of goods entering the U.S., and improving border safety.



U.S. Customs Inspector monitors a Vehicle Access Container Initiative System, a nonintrusive inspection mobile, as it examines a container at the Port of Los Angeles.

© AP Photo/Ric Francis



I/P #4: CONTAINER SECURITY INITIATIVE

Increase capability of using digital information for pre-boarding screening and post-arrival tracking of people and goods.

OUTCOME INDICATOR
Indicator #2: Participation in the Container Security Initiative (CSI)

FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: Launch of the CSI. Nine countries included, encompassing fourteen of the twenty largest ports.
FY 2003 DATA	2003 Results	Nineteen of the largest twenty ports agreed to participate in the CSI program. CSI was expanded to include additional ports worldwide. CSI "pilot phase" deployments underway at sixteen ports.
	Target	<ul style="list-style-type: none"> Nineteen of the largest twenty ports that ship to the United States sign Declarations of Principles (DoPs) to participate in the CSI program. Additional "pilot phase" deployments begin. CSI expanded to include ports beyond the top twenty and negotiations begin on EU-wide agreement. Begin negotiations with Taiwan where the remaining large twentieth port is located. Discussions continue with the EC and member states on expansion to additional EU ports.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	<ul style="list-style-type: none"> High Risk containers are targeted and screened at foreign ports before embarking for the U.S. The risk of terrorists using an ocean container to transport weapons of mass destruction or other illicit cargo or persons, to the U.S. is significantly reduced as a result of the prescreening.

OUTPUT INDICATOR
Indicator #3: Cargo Manifest Requirements

FY RESULTS HISTORY	2000	Paper manifests sent to United States Customs Service (USCS) sometimes arriving a month after being sent.
	2001	USCS began electronic manifest programs with U.S. exporters.
	2002	USCS expanded electronic manifesting to Canadian and Mexican borders to speed clearance.
FY 2003 DATA	2003 Results	<ul style="list-style-type: none"> All vessel cargo manifest information is being provided to the Bureau of Customs and Border Protection (CBP, formerly the USCS) either in electronic or paper format at least 24 hours prior to loading unless exempted. Regulations are being finalized for electronic submission of data for all modes of transport.
	Target	<ol style="list-style-type: none"> CBP requires 24-hour advance notice prior to loading for all vessel cargo unless exempted. Regulations are promulgated for electronic transmission for all modes. Paper is currently being accepted for vessel cargo.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> 1. On Target <div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> 2. On Target
	Impact	<ul style="list-style-type: none"> CBP can now target and inspect high-risk vessel shipments before they are loaded for transit to or through the U.S.



PERFORMANCE GOAL 3

Protection of critical physical and cyber infrastructure networks through agreements and enhanced cooperation

I/P #5: CYBER SECURITY		
Strengthening critical physical and cyber infrastructures.		
OUTPUT INDICATOR		
Indicator #1: Number of Countries With Critical Infrastructure Protection (CIP) Action Plans		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	N/A
FY 2003 DATA	2003 Results	Baseline: 69 • This figure includes countries with which the U.S. has had bilateral or multilateral cyber and physical security exchanges.
	Target	22
	Rating	■ Significantly Above Target
	Impact	This result will significantly improve cybersecurity of critical telecom infrastructures worldwide and thereby afford greater protection against cyber-terrorism. The U.S. coordinates with other nations via bilateral and multilateral fora to advocate the adoption of national and regional cybersecurity programs that help to fulfill USG strategic cybersecurity goals as outlined in the National Strategy to Secure Cyberspace.
	Other Issues	Indicator was changed to better measure progress in this area. Previous indicator counted the number of CIP action plans. Counting the number of countries is more relevant.

VIII. Program Evaluations and PART Reviews



The sun sets on high voltage powerlines that run from the Niagara Power Authority Plant in Lewiston, New York near Niagara Falls.

© AP Photo/Dan Cappellazzo

Two program evaluations and one OMB PART review for the FY 2004 budget process were conducted in FY 2003 that pertained to this Strategic Goal.

- 1) Review of Nonimmigrant Visa Issuance Policy and Procedures (ISP-I-03-26), (OIG)
- 2) Visa Process should be Strengthened as an Antiterrorism Tool (GAO-03-132) (GAO)
- 3) Visa and Consular Services Program/Border Security (OMB PART)

Detailed information on major findings, recommendations, actions to be taken, program evaluations and PART can be found in the "OMB PART Summaries" and the "Completed Program Evaluations for FY 2003" appendices.



STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

STRATEGIC GOAL 4: WEAPONS OF MASS DESTRUCTION

*Reduce the threat of weapons of mass destruction to the United States,
our allies, and our friends*

I. Public Benefit

Weapons of mass destruction (WMD) including nuclear, chemical, biological and radiological weapons and their delivery systems can threaten our territory and citizens, our armed forces, our national interests, and our allies and friends overseas. The Department helps combat this threat by working with other countries to fight WMD and missile proliferation, to defend against WMD attack, and to deny them to terrorist groups and rogue states. Our efforts improve the safety and security of the United States and its friends and allies by lowering the risk of conflict; minimizing the destruction caused by an attack or conflict; denying access to such indiscriminate weapons and the expertise necessary to develop them; and preventing potentially devastating WMD-related accidents.

The Department is committed to reducing the WMD and missile threat through agreements to reduce current nuclear weapons stockpiles; cooperative efforts to develop missile defenses as appropriate; strengthening nonproliferation treaties and commitments and their implementation; and active measures to improve and enforce export controls. The Department is helping shape U.S. and international strategies to eliminate threats remaining from the Cold War's WMD legacy, enhance controls on biological agents and toxins, especially in the area of national controls; and, most recently, redirect Iraq's former WMD scientists. To ensure our WMD strategies are both robust and effective, the Department seeks to integrate verification measures into arms control negotiations and nonproliferation agreements and commitments. The Department also works to ensure that compliance is rigorous and enforced. WMD and missile proliferation, especially in troubled regions, exacerbates regional instability and its associated negative political, economic and social consequences, including the danger that terrorists might acquire WMD and delivery systems. The Department is on the leading edge in responding to these and other WMD challenges that might arise.



Iraqi missiles are transported to a safer place for further testing in Baghdad, Iraq. Following the war in Iraq that ousted Saddam Hussein from power, the search continues for weapons of mass destruction.

© AP Photo/Bullit Marquez



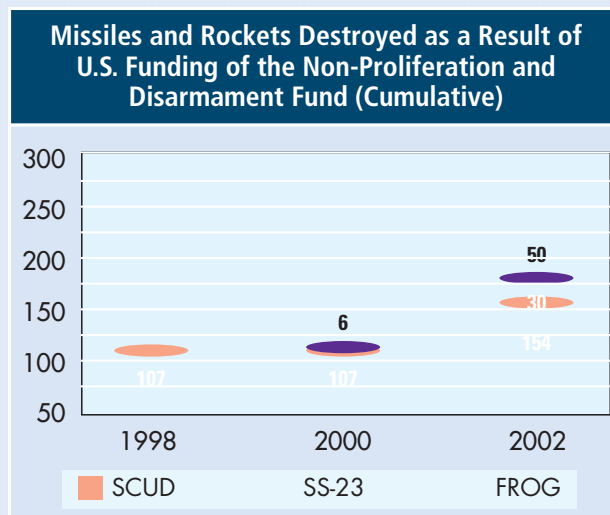
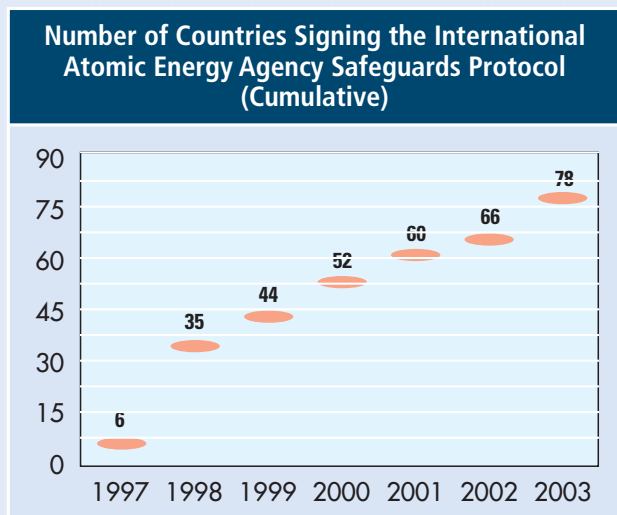
II. Strategic Context

The Weapons of Mass Destruction strategic goal is supported by three performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Weapons of Mass Destruction	Bilateral Measures	Curb Access	Nonproliferation, Verification and Compliance	DoC, DoD, DoE, DHHS, EPA, FBI, IC, NRC, NSC, USDA, CRDF, Australia Group, EU, G-8, IAEA, ICOC, MTCR, NATO, NPT, NSG, UNSC, Zangger Committee, ISTC, STCU
		Cooperation With Allies and Friends on Missile Defense	Arms Control	DoD, IC, NSC, NATO
		Cooperation with Russia on New Strategic Framework	Arms Control, Verification and Compliance	DoD, IC, NSC, NATO
	Multilateral Agreements and Nuclear Safety	Strengthen Global Norms	Nonproliferation, Verification and Compliance	Same as "Curb Access"
		Chemical Weapons Convention	Arms Control, Verification and Compliance	DoD, DoC, DoJ, DoE, IC, NSC, OPCW
		Biological Weapons Convention	Arms Control, Verification and Compliance	DoD, DoE, DoC, DHHS, IC, NSC, WHO, FAO
		Promote Safe Nuclear Cooperation	Nonproliferation, Verification and Compliance	DoE, EPA, NRC, NSC, OVP, Treasury, USAID
	Verification and Compliance	Arms Control and Nonproliferation Verification	Verification and Compliance	DoD, DOE, IC, DoC, JCS, DHS, FBI, NSC, OVP, DoJ, USDA, OPCW, Australia Group, EU, G-8, IAEA, ICOC, MTCR, NATO, NPT, NSG, UNSC, Zangger Committee
		President's Annual Noncompliance Report	Verification and Compliance	Same as above
		Compliance Diplomacy	Arms Control, International Organizations, Verification and Compliance, Nonproliferation	Same as above
		All Source Intelligence Collection; Technology R&D	Verification and Compliance	IC, DoD, DOE, DHS, OSTP, TSWG, DTRA, National Labs, NSC, OVP
		Rapid and Accurate Communication for Arms Control	Arms Control, Verification and Compliance	DoD, DoE, DoC, NSC, IC

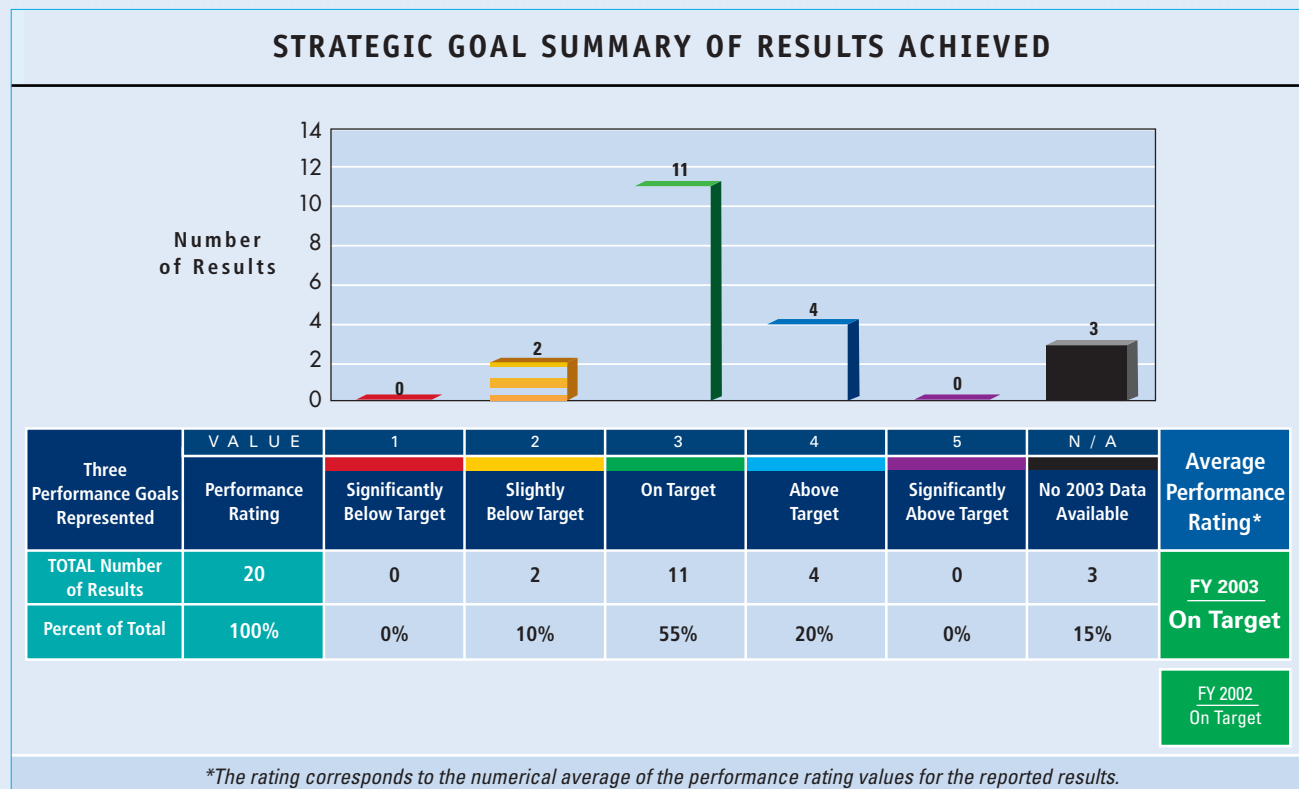


III. Performance Trends

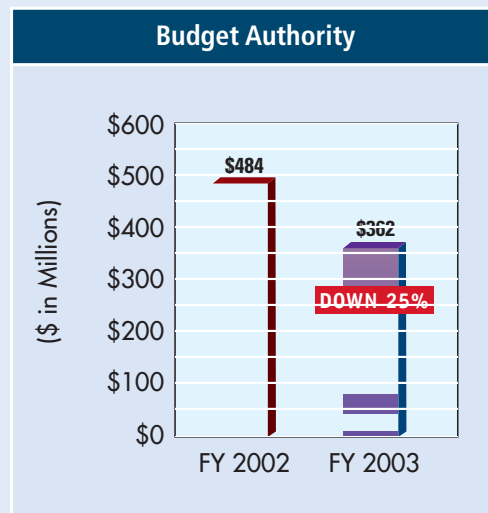
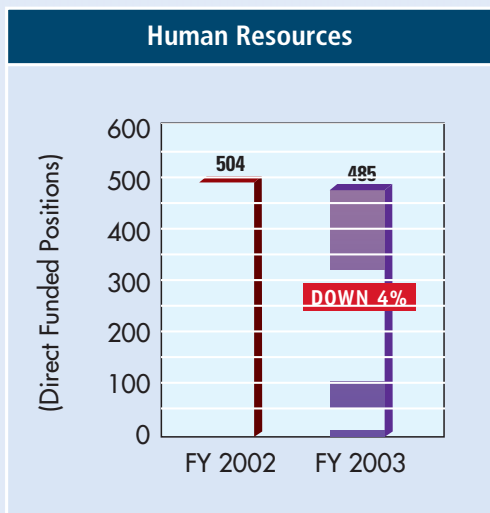


IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Weapons of Mass Destruction strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", unchanged from last year's "on target" rating.



V. Resources Invested



VI. Illustrative Example of Significant Achievement

Fissile Materials Disposition



Dr. Vladimir Smirnov, General Director of Russian energy company TENEX, speaks at a Washington news conference to announce a milestone in the effort to reduce the threat of nuclear proliferation through the elimination of weapons-grade uranium, and its transformation into electricity-producing fuel. Sen. Richard Lugar, R-Ind., looks on at right. © AP Photo/John Harrington

A Plutonium Production Reactor Agreement (PPRA) Amendment and replacement implementing agreement was signed. In addition, access arrangements for U.S. personnel overseeing projects to construct/ refurbish fossil fuel plants to replace production reactors was signed. PPRA monitoring of shutdown reactors and Russian weapon-grade plutonium in storage continues smoothly.




VII. Performance Results

PERFORMANCE GOAL 1

Protection of critical physical and cyber infrastructure networks through agreements and enhanced cooperation

I/P #1: CURB ACCESS		
Curb access of proliferators, terrorists, and state sponsors of terrorism to material, equipment and technology for WMD and missiles.		
OUTCOME INDICATOR		
Indicator #1: Access to Weapons of Mass Destruction Impeded		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> Russia: Provided technology and assistance to Iran and India. China: Announced it would not assist other countries in developing ballistic missiles. North Korea: Negotiated about ending missile exports. Former Soviet Union Countries: One (Ukraine) of twelve Former Soviet Union countries enforced export controls.
	2001	<ol style="list-style-type: none"> Russia: Partially halted assistance to Iran. China: Implemented its 1997 nuclear commitment, but not its 2000 missile commitment. North Korea: Did not export nuclear material or technology, but continued to seek buyers for missile exports. Former Soviet Union Countries: Marked increase in meeting export control standards and in interdicting WMD and related components.
	2002	<ol style="list-style-type: none"> Russia: Exported technology; increased attention to Iran's WMD and missile programs. China: Implemented its 1997 nuclear commitment but not its 2000 missile commitment. North Korea: Accepted U.S. offer for talks, but continued to export missile-related items. Former Soviet Union Countries: European countries developed export controls; some NIS countries moved towards controls.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> Russia: Maintained its cooperation with Iran's program, but expresses increasing concern as IAEA establishes Iranian safeguard violations. International consensus against supply to Iran remains in place. China: Continues to cooperate. Attention, however, has been given to other priorities that have arisen. North Korea: Has not contributed to nuclear programs in other countries, but ballistic missile exports contributes to destabilizing already volatile regions of the Middle East/North Africa and South Asia. Export Control: Over twenty countries, including Former Soviet Union countries in Europe and Eurasia have adopted export control laws, or strengthened export control systems and enforcement mechanisms. G8 Initiative: Accepts assistance from the G-8 to determine what regulatory provisions need to be adopted to ensure that Russia's nuclear safety regime will be consistent with the Convention on Nuclear Safety. <ul style="list-style-type: none"> Russia becomes a member of the Nuclear safety and Security group. Ukrainians increase staff to meet its increasing responsibilities. New Safe Confinement conceptual design is completed and obtains regulatory approval. Stabilization contractor is selected and mobilized.
	Target	<ol style="list-style-type: none"> Russia: Stops nuclear cooperation with Iran; no nuclear contracts with India. China: Fully implements and adheres to 1997 nuclear commitment and November 2000 missile commitment, including effective enforcement of comprehensive missile-related export controls. North Korea: Eliminates or freezes its MTCR class missile programs exports; agrees to complete, verifiable, irreversible dismantlement of its nuclear weapons programs. Export Control: Make significant progress by targeted countries towards establishment and enforcement of export control standards. Former Soviet Union Countries: Significant progress by NIS and other countries towards enforcement of export control standards.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; border: 1px solid black;"></div> On Target
	Impact	These results, as a whole, signify progress toward proliferation control. The North Korean exports represent a continuing concern, although the Russian reconsideration of cooperation with Iran is encouraging.



I/P # 1: CURB ACCESS <i>Continued</i>		
OUTCOME INDICATOR		
Indicator #2: States Conform to International Non Proliferation Norms of Behavior		
FY RESULT HISTORY	2000	<ol style="list-style-type: none"> South Asia: Continued unilateral nuclear testing moratoria, restraints in nuclear and missile program, stronger export controls. Experts cooperated with India to improve export control regulation and mechanisms. Middle East: Iraq defied UN inspectors. Iran continued WMD development. East Asia: North Korean moratorium on missile testing and freeze at Agreed Framework continues, but North Korea continued missile exports.
	2001	<ol style="list-style-type: none"> South Asia: Continued unilateral nuclear testing moratoria; restraints in nuclear and missile program; stronger export controls. Middle East: Iraq defied UN inspectors. Iran continued WMD development. East Asia: North Korean moratorium on missile testing and freeze at Agreed Framework continues, but continued missile exports.
	2002	<ol style="list-style-type: none"> South Asia: Onward proliferation concerns remain. Middle East: Broad international support for pressure on Iraq leads to two landmark UN Security Council Resolutions; Goods Review List (1409) and resumption of weapons inspections (1441). Smart sanctions denied Iraq technologies necessary for WMD and missiles. Iran continued WMD and missile development. Strengthened export controls in region. East Asia: North Korea acknowledged its uranium enrichment program, lifted the Agreed Framework freeze, announced withdrawal from the NPT, and expelled IAEA monitors. The Long Range Missile flighttest moratorium continued, but North Korea's missile-related exports also continued.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> South Asia: Five technical export control cooperation exchanges completed with India. Indian officials work toward exchanges in export control system; make arrests and begin prosecution of notorious proliferating entity and investigate additional entities. Technical export control cooperation with Pakistan initiated, with first meetings held in February. Middle East: UNMOVIC and IAEA inspectors withdrawn from Iraq prior to military action to disarm Iraq. Iran's nuclear program is under intense scrutiny, as IAEA Director General reports numerous safeguards failures. Under a deadline set by the IAEA Board of Governors (BOG) on September 12, unanimously found it to be "essential and urgent" that Iran cooperate fully with the IAEA to address questions arising from Iran's safeguards failures and called on Iran to suspend all enrichment related and reprocessing activities. WMD and other related technology are denied to Libya. East Asia: North Korea agreed to multilateral talks to address concerns about its nuclear program. Three-party talks among the U.S., North Korea, and China were held in April 2003. Six-party talks; U.S., North Korea, China, Japan, Russia and the Republic of Korea were held in August 2003. States particularly welcomed the six-party talks in Beijing in August 2003. The talks, and the consensus that emerged from them, are "a clear step in the right direction", the resolution said. The IAEA General Conference adopted a resolution calling for North Korea to promptly accept comprehensive IAEA safeguards and cooperate in their full and effective implementation.
	Target	<ol style="list-style-type: none"> South Asia: Restraint on missile programs and testing moratoria continue. Progress by India and Pakistan on bringing export controls in line with international standards. Middle East: Controls on Iran receive international support. Iran denied nuclear weapons technologies. Stronger export controls throughout region. East Asia: Progress on verifiable constraints on North Korea's missile policy; and the verifiable and irreversible end to its nuclear weapons program.
	Rating	 Above Target
	Impact	The curbs on Iran's nuclear program and worldwide consensus about the dangers it poses, will impede Iran's efforts to obtain nuclear weapons capability. The FY 2003 results as a whole serve to curb access to WMD which in turn help make the world a safer place.



I/P #1: CURB ACCESS <i>Continued</i>		
OUTCOME INDICATOR		
Indicator #3: Progress Toward Implementing Fissile Material Projects		
FY RESULT HISTORY	2000	U.S.-Russian agreement on plutonium disposition completed.
	2001	Plutonium disposition suspended; Plutonium Production Reactor Agreement (PPRA) suspended.
	2002	1. Progress made on Russian plutonium stockpile implementation and transparency issues.
		2. Preparations for negotiations of U.S.-Russian plutonium-disposition multilateral framework are on track.
FY 2003 DATA	2003 Results	3. PPRA Amendment and fossil fuel implementing agreement concluded, awaiting Russian government approval to sign.
		1. Russia decided to use the same design for mixed oxide (MOX) fuel fabrication facility as in the U.S.; negotiations of a multilateral framework to support Russian plutonium disposition started and continued.
		2. PPRA Amendment and replacement implementing agreement signed; access arrangements for U.S. personnel overseeing projects to construct/refurbish fossil fuel plants to replace production reactors signed; initial contracts signed and implementation underway. PPRA monitoring of shutdown reactors and weapon-grade plutonium in storage continue smoothly.
	Target	3. Negotiations continued on Mayak Fissile Material Storage Facility (FMSF).
FY 2003 DATA	Rating	1. PPRA and subsidiary documents concluded; implementation begins.
	Impact	2. U.S.-Russian Plutonium Disposition Agreement and financing structures for assistance completed.
		3. Mayak FMSF transparency arrangements concluded.

U.S. President George W. Bush (L) and Russian President Vladimir Putin (R) exchange documents during the ceremony of the signing of the protocol on the ratification of a Treaty on Strategic Offensive Reductions in St. Petersburg.

© AP Photo



I/P #1: CURB ACCESS <i>Continued</i>		
OUTPUT INDICATOR		
Indicator #4: U.S. Private Sector/non-NP Partner Project Funding as a Percentage of Total U.S. Project Funding; and, Number of Institutes Securing Alternate Funding and "Graduating" From Science Center Funding ¹		
FY RESULT HISTORY	2000	<ol style="list-style-type: none"> Engaged more than 30,000 scientists in peaceful civilian efforts. Moved to support sustainable transition from weapons to civilian work.
	2001	Up to 40,000 scientists and several new high-interest institutes now engaged.
	2002	<ol style="list-style-type: none"> Engaged 363 former WMD institutes compared to 9 high-priority Biological Weapons (BW) and Chemical Weapons (CW) institutes not able to be accessed. Eight new U.S. industry partners recruited. U.S. private sector and non-NP governmental Partner project funding was 8% of total U.S. project funding. launched BioIndustry Initiative (BII) designed to reconfigure former BW production facilities for peaceful uses and to engage former BW scientists in accelerated drug and vaccine development. Three new technological applications brought to market, including Neurok TechSoft (linear differential equation solver), a laser-based fluorochemical detector, and new computer animation technology.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> U.S. private sector industry partners total over 60. Five new projects funded at three newly engaged BW and CW institutes. Three new U.S. industry partners recruited thus far, with partial year results for U.S. non-NP Partner funding at 14% of total project funding. The BioIndustry Initiative has funded long-term commercialization and sustainability programs at large-scale biologic production facilities in Russia and Kazakhstan; has developed Russian Bioconsortium of former BW research and production facilities; has developed relationships with DOW Chemical and Eli Lilly.
	Target	Continue the expansion of partnerships and technology markets.
	Rating	■ Above Target
	Impact	Every institute and most scientists redirected to non-weapons related research represents a victory of nonproliferation policies. Institutes attaining global standards or that patent unique achievements lessen their dependence on weapons related work.
	¹ This indicator is entirely new, but reports the same results as the predecessor indicator: "Number of Russian/ NIS Weapons Scientists Redirected in Civilian Activities and Progress in Developing Self-Sustaining Civilian Alternative Employment."	



I/P #2: COOPERATION WITH ALLIES/FRIENDS ON MISSILE DEFENSE		
Seek the support of allies and friends for the new strategic relationship with Russia and the Moscow Treaty on Strategic Offensive Reductions. Seek their cooperation in countering new WMD threats and in missile defense development and deployment aimed at dissuading rogue states from acquiring WMD and ballistic missiles and deterring their use.		
OUTCOME INDICATOR		
Indicator #5: Status of Cooperation With Allies on new Strategic Framework		
FY RESULT HISTORY	2000	N/A
	2001	Baseline: Consultations began with allies on New Strategic Framework.
	2002	The Department led or participated in over 125 consultation visits on U.S. missile defense efforts, threat assessments, ABM Treaty withdrawal, and the Moscow Treaty. Allies and friends welcomed the Moscow Treaty, and accepted U.S. withdrawal from the Anti-Ballistic Missile (ABM) Treaty.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. The UK agreed to support the upgrade of the early warning radar at Fylingdales; discussions with Denmark on upgrading the early warning radar in Greenland are progressing well. The U.S. and UK signed a Memorandum of Understanding regarding missile defense cooperation in June 2003. 2. The U.S. worked with Germany and Italy on the Medium Extended Air Defense System. 3. The U.S. and Canada established a regular consultation mechanism and to explore potential areas of joint cooperation on missile defense. 4. At the November 2002 Summit, the U.S. obtained NATO agreement to study the feasibility of missile defenses to protect population and territory, and the U.S. continues to work closely with NATO on this. 5. The U.S. worked closely on missile defense with Japan, whose government has significantly increased its budget request for missile defense-related work. 6. The U.S. and Australia discussed Canberra's interest in missile defense and opportunities for cooperation. 7. The U.S. and India discussed how India could conduct a missile defense requirements analysis.
	Target	Allies and friends agree to specific missile defense goals and options.
	Rating	<div></div> On Target
	Impact	<p>Cooperation on missile defense addresses threats to the U.S., its allies and friends by reducing the appeal of ballistic missiles for states considering their acquisition, enhancing deterrence and reinforcing stability.</p> <p>Cooperation on missile defense development and deployment reduces the technical risks and costs of missile defense. For example, multinational cooperation can improve the effectiveness of layered defenses, in which offensive missiles are detected, tracked, and intercepted along the entire flight path, by making available basing areas that provide geographical advantages not available to similar facilities on U.S. territory.</p> <p>Made it possible for three Dutch Patriot batteries to be deployed to Turkey and for U.S. Patriot batteries to be deployed to Kuwait during Operation Iraqi Freedom.</p>



I/P #3: COOPERATION WITH RUSSIA ON NEW STRATEGIC FRAMEWORK		
Give further content and definition to the Administration's commitment to deepening the strategic relationship with Russia.		
OUTCOME INDICATOR		
Indicator #6: Status of Cooperation with Russia on New Strategic Framework		
FY RESULT HISTORY	2000	N/A
	2001	Baseline: Consultations began with Russia on New Strategic Framework.
	2002	<ol style="list-style-type: none"> 1. USG established the basis of a New Strategic Framework for its security relationship with Russia that consists of, among other things, a new approach to deterrence that relies on both offensive and defensive means. The U.S. and Russia signed the Treaty on Strategic Offensive Reductions (Moscow Treaty) on May 24, 2002, and issued a Joint Declaration on the Framework, establishing a Consultative Group on Strategic Security (CGSS). 2. The U.S. withdrew from the Anti-Ballistic Missile (ABM) Treaty, removing the principal legal obstacle to pursuing alternative approaches to developing an effective missile defense system. 3. The Department instituted a regular dialogue with Russia designed to increase transparency and openness in missile defense endeavors.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. The Moscow Treaty entered into force on June 1, 2003. Discussions on procedures for, and scheduling of the Moscow Treaty's Bilateral Implementation Commission began. The Department opened regular consultations on arms control and related issues with the Russian Ministry of Foreign Affairs at the Assistant Secretary level. CGSS Working Groups on offensive strategic affairs and missile defense, including transparency and cooperation, met twice and three times, respectively. The U.S. and Russia began exchanging information on their plans for reductions under the Moscow Treaty. 2. In February 2003, NATO and Russia agreed on a work plan that includes some nuclear Confidence- and Security-Building Measures. Discussions on START implementation continued, on a more positive basis than in previous years; meetings of the Joint Compliance and Inspection Commission (JCIC) took place in June and August 2003.
	Target	<ol style="list-style-type: none"> 1. Entry into Force of the Moscow Treaty. 2. Transparency and predictability efforts underway to enhance confidence in strategic reductions and missile defenses.
	Rating	<div> <div></div> On Target </div>
	Impact	<ol style="list-style-type: none"> 1. Entry into force of the Moscow Treaty codifies the mutual commitments of the U.S. and Russia to make deep strategic offensive reductions. It facilitates the transition from strategic rivalry to a genuine strategic partnership. The Treaty is an important element of the New Strategic Framework, which involves a broad array of cooperative efforts with Russia in political, economic, and security areas. 2. The START Treaty also continues in force. Its comprehensive verification regime provides the foundation for providing confidence, transparency, and predictability in further strategic offensive reductions. The Parties are beginning to deal with START implementation issues more in keeping with our new strategic relationship, enabling resolution of some long-standing issues and removing irritants in our relationship. 3. Working Groups established by the CGSS are intended to exchange information and foster transparency regarding offensive nuclear forces and missile defense. Data exchanges and cooperative activities serve to reduce uncertainties, enhance openness, foster a more predictable strategic environment, and build trust. Eventually, we hope that bilateral transparency with Russia will mirror the cooperative interaction we enjoy with friendly nuclear powers.



PERFORMANCE GOAL 2

Strengthened multilateral wmd agreements and nuclear energy cooperation under appropriate conditions

I/P #4: STRENGTHEN GLOBAL NORMS		
Global norms and standards are strengthened by raising standards and enforcing increased compliance.		
OUTCOME INDICATOR		
Indicator #1 Status of the Non-Proliferation Treaty (NPT) and the International Atomic Energy Agency (IAEA)		
FY RESULT HISTORY	2000	<ol style="list-style-type: none"> The 2000 Review Conference showed wide support for the NPT. Forty-five countries have signed the IAEA safeguards protocol.
	2001	Fifty-two countries have signed the IAEA safeguards protocol.
	2002	<ol style="list-style-type: none"> Preparation Communications (PrepCom II) for the 2005 NPT Review Conference concluded smoothly. The IAEA took action on integrated safeguards and emphasized financial needs; nine more states signed, bringing the total to sixty-seven, of which, twenty-eight protocols have entered into force. The IAEA Board approved a multi-year program with a substantial increase in funding, to \$11 million annually.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> PrepCom II for the 2005 NPT Review Conference concluded successfully. Cuba and East Timor joined the treaty. The international community urged Iran to comply with the NPT and North Korea to reverse its Position on NPT withdrawal. Eleven more states signed an Additional Protocol, bringing the total to seventy-eight, of which, thirty-seven protocols have entered into force. Voluntary contributions to the IAEA anti nuclear terrorism program funding doubled in FY 2003.
	Target	<ol style="list-style-type: none"> The NPT remains strong. The review process continues with no disruption. Several more states sign or bring into force the IAEA safeguards protocol. The IAEA anti-nuclear terrorism program receives adequate funding and expands assistance.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	NPT standards against nuclear proliferation remain strong and violators are being pursued. IAEA safeguards gaining more political and financial support and countries are improving protection against nuclear and radiological terrorism.




I/P #4: STRENGTHEN GLOBAL NORMS <i>Continued</i>		
OUTCOME INDICATOR		
Indicator #2: Status of the Physical Protection Convention (CPPNM)		
FY RESULT HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: <ol style="list-style-type: none"> 1. The IAEA met to discuss whether the CPPNM should be revised or strengthened. Experts made recommendations. 2. The Experts Group recommended “well defined amendment” to CPPNM for consideration by the Drafting Group. 3. The Drafting Group worked on recommendations for consideration by a revision conference.
FY 2003 DATA	2003 Results	After two meetings, the Drafting Group concluded its work without reaching consensus on a revision proposal, but did identify a set of possible amendments warranting consideration by States Parties as the basis for a proposal.
	Target	Conference approves a series of amendments to the Physical Protection Convention (CPPNM) to cover nuclear material in domestic use.
	Rating	■ Slightly Below Target
	Impact	Progress toward producing a consensus amendment impeded and conclusion of a successful amendment delayed. End result still expected to be achievable.



I/P #5: CHEMICAL WEAPONS CONVENTION

Support the 1997 Chemical Weapons Convention, the global treaty outlawing the development, production, acquisition, stockpiling, retention, and transfer of chemical weapons.


OUTCOME INDICATOR
Indicator #3: Status of the Chemical Weapons Convention (CWC)

FY RESULT HISTORY	2000	<ol style="list-style-type: none"> 1. A total of 133 States Parties. 2. The United States began implementing U.S. industry obligations. 3. Discussions with Russia on chemical weapons (CW) destruction moribund.
	2001	<ol style="list-style-type: none"> 1. A total of 144 States Parties. 2. The United States fully implemented its industry obligations; sixteen inspections of U.S. industry facilities conducted. 3. Organization for the Prohibition of Chemical Weapons (OPCW) budget problems continued. 4. Some destruction of Russian chemical weapons begun.
	2002	<ol style="list-style-type: none"> 1. Four States Parties were added to the CWC, and Libya and Thailand voiced intent to join. 2. The United States fully implemented CWC industry obligations by meeting all declaration and reporting requirements, hosting eight industry inspections, and successfully resolving issues from five previous inspections. 3. Three of the six Congressional conditions for granting authority for U.S. financial assistance for Russian stockpile destruction were resolved; limited progress was made on the other three conditions; Congress granted the President waiver authority. As a result of intense Department efforts, significant international financial assistance was provided. 4. In the summer of 2002, the United States succeeded in bringing about a change in the leadership of the OPCW Technical Secretariat and called for voluntary donations to resolve the immediate OPCW financial crisis. The United States made a \$2 million voluntary contribution, and sought and obtained agreement of the States Parties for a ten percent increase in the 2003 OPCW budget.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. A total of 156 States Parties. 2. The first Russian destruction facility started operations in December 2002, and Russia met its revised deadline of destroying 400 agent tons by April 2003. Construction of a second destruction facility has begun. 3. OPCW has significantly recovered from the financial and administrative crisis it faced a year ago. The new Director-General of the OPCW Technical Secretariat has undertaken necessary management and financial reforms. Inspections, a key operation for the OPCW, have increased by over 15 percent, while the budget increase has been held to less than 10 percent, indicating an increase in efficiency as well. Inspections have also been retargeted to focus better on potential chemical weapons threats.
	Target	<ol style="list-style-type: none"> 1. A total of 150 States Parties. 2. One CW destruction facility in Russia begins operations. 3. OPCW under good management and conducting full inspection program.
	Rating	 Above Target
	Impact	<ul style="list-style-type: none"> • OPCW is nearing the point where it is able to carry out its full responsibilities regarding implementation of the CWC. When working efficiently and effectively, the CWC regime will not only ensure the destruction of current CW stockpiles, but will also contribute significantly to the goal of reducing the proliferation of chemical weapons • A year ago, the OPCW was cash broke and unable to even carry out the full schedule of inspections. The U.S. took the lead in demanding urgent and basic reforms, beginning with the replacement of the Director-General. Other States Parties followed the U.S. lead. • Reporting by the OPCW to member states has also improved, providing the U.S. better insight into worldwide chemical activities and thus a better opportunity to spot potential proliferation activity near its outset.



I/P #6: BIOLOGICAL WEAPONS CONVENTION		
Support the 1972 Biological Weapons Convention (BWC) banning the development, production, stockpiling, and acquisition of biological weapons (BW).		
OUTPUT INDICATOR		
Indicator #4: Number of States Parties who Incorporate U.S. Proposals in Their National Approaches to Controlling the Biological Weapons Threat		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. The States Parties continued work on the BWC Protocol. 2. The United States worked with the Ad Hoc Group Chairman to fix deficiencies in the BWC Protocol.
	2001	<ol style="list-style-type: none"> 1. The States Parties continued work on the BWC Protocol. 2. The United States rejected the flawed BWC Protocol because it would harm the U.S. pharmaceutical industry and undermine U.S. security.
	2002	USG developed alternative package of effective measures to strengthen the BWC and began discussions with other BWC States Parties.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. States Parties agreed at the November 2002 Review Conference to a work program based on U.S. proposals. 2. At the August 2003 experts meeting, at least 25 states reported that national legislation, mirroring U.S. laws to control the BW threat, was already in place. The 80 states participating agreed that such legislation was an important element of their obligations as BWC States Parties. While all participants agreed on the importance of measures to improve biosecurity, evidence of implementation was more fragmentary. However, at least 20 States Parties acknowledged the validity of the U.S. approach and indicated they had at least begun an awareness-raising program in their countries. 3. At the November 2003 meeting of States Parties, the U.S. got an agreed pledge that all Parties will work to implement and enforce appropriate safeguards in their respective countries.
	Target	U.S. alternative proposals incorporated by 18-20 BWC States Parties in their national approaches to control the BW threat.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	<ul style="list-style-type: none"> • Traditional inspection regimes are not effective in determining compliance with bans on biological weapons. The U.S. therefore devised alternative ways to improve BWC implementation, focusing on coordinating and expanding national implementation. Some countries do not have adequate laws to prohibit or control the handling of biological pathogens that could easily be transformed into biological weapons, and many do not have adequate security for handling such pathogens. • The agreement by States Parties on the importance and potential impact of the measures suggested by the U.S. constitutes a major political victory. The attitude toward the U.S. – that the U.S. was trying to undercut or even abolish the BWC itself – has largely abated, and countries now appear willing to work on the basis of the U.S. program. • The next BWC Review Conference in 2006 will enable the Department to determine whether there has been a significant improvement in the situation.



I/P #7: PROMOTE SAFE NUCLEAR COOPERATION		
Global nuclear cooperation under the highest nonproliferation and safety standards is promoted.		
OUTPUT INDICATOR		
Indicator #5: Unsafe Reactor Closures and Nuclear Waste Improvements		
FY RESULTS HISTORY	2000	1. Several reactor closures agreed to in NIS and other Eastern European countries. 2. Negotiations held on nuclear waste framework agreement.
	2001	1. Several NIS plants closed. 2. G-7 adopted the goal of pressuring Russia to close unsafe reactors.
	2002	1. Positive results achieved in Eastern Europe: e.g., Lithuania and Armenia; Bulgaria shut down two of its four high-risk reactors. 2. Liability agreement reached with Russia allowing U.S. participation in waste cleanup; implementing agreements negotiated.
FY 2003 DATA	2003 Results	1. Ignalina initiates closure procedures for Unit 1 and plans for closure of Unit 2. 2. Russia is working on a comprehensive plan for de-commissioning of some of its reactors. Begins a comprehensive plan for addressing nuclear waste issues.
	Target	1. Closure of key plants in the former Eastern Bloc. 2. G-7 and Russia agree to new reactor closure agenda; the international community funds programs to deal with Russian nuclear waste problems.
	Rating	 Above Target
	Impact	Steps completed that will lead to the elimination of proliferation material in the former Eastern Bloc, thus keeping them out of the hands of terrorists and dangerous countries.

Secretary Powell met with Dr. Mohamed El Baradei, Director General, International Atomic Energy Agency (IAEA), in January 2003, to discuss IAEA inspections in Iraq, Iran's nuclear development, and North Korea's withdrawal from the nuclear Nonproliferation Treaty (NPT).

Department of State Photo



I/P #7: PROMOTE SAFE NUCLEAR COOPERATION <i>Continued</i>		
OUTPUT INDICATOR		
Indicator #6: Extension of Benefits of Nuclear Cooperation to U.S. Partners and Implementation of Provisions of Existing Cooperation Agreements		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. The United States had nuclear cooperation agreements with the IAEA, EU, and twenty-five other nations. 2. New nuclear technology transfers to China stalled. 3. The United States conducted regular consultations on protection of U.S.-supplied nuclear material. 4. The United States reached necessary agreements on security arrangements for transfer from Europe to Japan. 5. Generation of innovative reactor designs began well.
	2001	<ol style="list-style-type: none"> 1. U.S.-China discussions made substantial progress. 2. Generation IV International Forum (GIF) successfully drafted/approved. 3. No significant issues about security of U.S.-origin nuclear materials. 4. United States continued as reliable partner in nuclear cooperation.
	2002	<ol style="list-style-type: none"> 1. U.S.-China Agreement for Cooperation implemented successfully. 2. U.S.-China discussions on "retransfer consents" concluded, but agreement not yet in force. 3. GIF developed list of new technologies for international development and continued as a leading forum for international cooperation in advanced reactor development for safety, sustainability, and proliferation resistance. 4. No security problems arose with U.S.-origin nuclear material. 5. United States continued as reliable partner in nuclear cooperation. 6. Agreement extended with Morocco, but not with Indonesia. 7. Other agreements remained in force.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. U.S.-China concluded agreement on re-transfer consents. 2. Nuclear committee with Argentina established. Very successful first meeting held. 3. Committees with South Africa and Brazil remain under active discussion. 4. GIF moves forward on developing joint research proposals. The Department of Energy agrees to facilitate by R&D agreements with foreign partners. 5. U.S. continued active participation in international forums. 6. Continued contributions to the IAEA TC fund – along with in-kind contributions.
	Target	<ul style="list-style-type: none"> • Peaceful nuclear cooperation with China proceeds smoothly. • GIF proceeds as a viable forum for reactor cooperation. • No security problems arise from U.S.-origin nuclear material; other cooperation programs proceed normally.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	<p>The U.S. continues to show itself as a leader in the quest for peaceful nuclear cooperation. Moreover, the U.S. needs to be a reliable supplier for both the economic benefit of continuing this important component of our exports and for the nonproliferation benefit of "staying in the game". The U.S. cannot talk to others about supply rules if it cannot guarantee that it will conduct supply under the regime that is negotiated.</p>



PERFORMANCE GOAL 3

Verification integrated throughout the negotiation and implementation of nonproliferation and arms control agreements and commitments and rigorous enforcement of compliance with implementation and inspection regimes

I/P #8: ARMS CONTROL AND NON PROLIFERATION VERIFICATION



Integrate Verification into Negotiations and implementation of arms control and nonproliferation agreements and commitments.

INPUT INDICATOR

Indicator #1: Status of Verification of Arms Control and Nonproliferation Agreements and Commitments

FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: <ol style="list-style-type: none"> 1. Moscow Treaty Verifiability Report completed. 2. U.S. positions on verification requirements developed. 3. Transparency Measures for the Moscow Treaty developed. 4. Prepared assessment of the elements of the verifiable dismantlement of the North Korean nuclear weapons capability. 5. Prepared assessment of the elements of a ban on North Korean indigenous and export programs for ballistic missiles.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. The Senate provided its advice and consent to ratification of the Moscow Treaty in June 2003. Began implementation of Moscow Treaty through its Bilateral Implementation Commission (BIC). 2. Considered role of transparency measures in terms of the BIC; however the BIC did not meet in FY 2003. 3. Integrated verification concepts into USG deliberations and negotiations toward verifiable elimination of North Korea's nuclear program, including preparation of core interagency building blocks.
	Target	<ol style="list-style-type: none"> 1. The Senate provides advice and consent to ratification of the Moscow Treaty. 2. Analyze and make decisions on role of transparency measures to support Moscow Treaty implementation and Bilateral Implementation Commission activities. 3. Fully integrate verification concepts into USG deliberations and into negotiations toward verifiable elimination of North Korea's nuclear program.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	<ol style="list-style-type: none"> 1. Implementing the Moscow Treaty through the Bilateral Implementation Commission and exploring transparency measures serves to enhance the viability of the Treaty and strategic reductions. 2. Integrating verification concepts into deliberations and negotiations toward verifiable elimination of North Korea's nuclear programs offers a more sustainable and effective negotiating outcome, contributes significantly to U.S. national security, and safeguards the global community from weapons of mass destruction.



I/P #9: PRESIDENT'S ANNUAL NON-COMPLIANCE REPORT		
Prepare and coordinate Presidential Reports on Compliance with Arms Control and Nonproliferation Agreements and Commitments and other Congressionally mandated reports.		
OUTPUT INDICATOR		
Indicator #2: Report on World Military Expenditures and Arms Transfers (WMEAT) Published		
FY RESULTS HISTORY	2000	N/A
	2001	Baseline: Release of most of WMEAT 1999-2000 Report (with CY 1998-1999 updates) on Internet and SIPRNET.
	2002	WMEAT 1999-2000 Report completed and printed.
FY 2003 DATA	2003 Results	WMEAT 2000-2003 (With CY 2000-2002 updates) in progress and will be completed in 2004.
	Target	Release WMEAT 2002 Report (CY 2002 updates) by the end of 2003.
	Rating	 Slightly Below Target
	Impact	Publication delay will not have an adverse effect on national security.
	Other Issues	Beginning in FY 2004, this indicator will be tracked internally only. The Department will no longer report these results via the Performance and Accountability Report.
OUTPUT INDICATOR		
Indicator #3: Submission of Presidential Report on Compliance with Arms Control and Nonproliferation Agreements and Commitments		
FY RESULTS HISTORY	2000	CY 1999 Annual Noncompliance Report submitted to Congress, but not on time.
	2001	CY2000 Annual Noncompliance Report not submitted to Congress on time, and instead was combined with the CY 2001 report.
	2002	<ol style="list-style-type: none"> 1. CY 2001 Annual Noncompliance Report submitted to the NSC on time, but needed revision to meet more fully Congressional requirements. 2. CY 2001 Report on Compliance with the CWC submitted to the NSC, but needed revision to meet Congressional requirements more fully. 3. CY 2001 Report on Compliance with the Conventional/Armed Forces in Europe (CFE) Treaty submitted to the NSC on time.
FY 2003 DATA	2003 Results	N/A (See "Other Issues" below).
	Target	<ol style="list-style-type: none"> 1. Timely submission of the CY 2002 Annual Noncompliance Report to Congress. 2. Pursuant to Senate Resolutions of Ratification, prepare and submit to the Congress, the CY 2002 Annual Reports on Compliance with the CWC and the CFE Treaty.
	Rating	 N/A
	Impact	N/A
	Other Issues	Indicator was dropped. Work pertaining to this indicator was subsumed into indicator four.



I/P #10: COMPLIANCE DIPLOMACY		
Develop and implement compliance diplomacy strategy to enforce compliance with arms control and nonproliferation agreements and commitments. Ensure implementation of inspection regimes.		
INPUT INDICATOR		
Indicator #4: Status of Implementation of a Global Norm of Adherence to and Compliance with Arms Control and Nonproliferation Agreements and Commitments		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	<p>Baseline: Compliance issues associated with the Chemical Weapons Convention (CWC) enforced.</p> <ul style="list-style-type: none"> • Visits conducted in four countries under the provisions of Article IX of the CWC to clarify and resolve compliance issues. Compliance issues resolved as a result of several of these visits. • During these bilateral discussions with several States Parties, the United States identified its concerns and necessary mitigating steps. The United States also proposed to a State Party a plan for conducting possible site visits to address U.S. CWC compliance concerns. • Five States Parties responded to follow-up demarches and the Department resolved its compliance concerns with some States Parties. <p>Baseline: Compliance issues with the Biological Weapons Convention (BWC) enforced.</p> <ul style="list-style-type: none"> • Protocol to the BWC was not supported at the BWC Ad Hoc Group, nor revived at the Fifth Review Conference. The United States called for violators to come into compliance with the BWC. • Concerns about noncompliance with the BWC were raised in all BWC consultations leading up to the resumed Fifth BWC Review Conference; the United States made this a major focus of the Conference.
	2003 Results	<ol style="list-style-type: none"> 1. Proliferation Behavior Reviewed: Improved and prepared the Annual Noncompliance Report. Thus the Department is better positioned to affect compliance enforcement through compliance diplomacy and sanctions. Coordination of the Report serves as a means of establishing U.S. policy regarding noncompliance activities. 2. Non-proliferation Compliance/ Enforcement: Sought clarification and resolution of U.S. compliance concerns related to the Chemical Weapons Convention (CWC) through visits conducted under Article IX of the CWC. Bilateral compliance consultations were also conducted. We also worked with Congress to enforce Russian compliance with the CWC. Articulated and sought international support for enforcement of compliance with the Biological Weapons Convention (BWC) at appropriate forums and in bilateral consultations. Sought to gain adherence of all countries to the BWC. 3. Start Treaty: In August 2003, the Department held consultations with Russia's Representative to the Joint Compliance and Inspection Commission on the unclassified version of the Noncompliance Report for the year 2002. In September 2003, A/S for Verification and Compliance sent a follow-up letter to the Russian Ministry of Foreign Affairs (MFA), Department of Security Affairs and Disarmament. The letter reiterated the earlier explanation from the consultations that the law requiring the President to submit the Noncompliance Report to Congress was changed to require more specificity in the unclassified version and that the United States intended to fulfill the requirement in the upcoming Report. In response to a subsequent request from the Russian MFA, a copy of the law containing the requirements for submitting the Report to Congress was delivered to the Russian MFA on September 26. Russia has yet to provide official comments in response to the consultations. 4. Sanctions: During 2003, the Department imposed sanctions on entities for transferring items that could contribute to weapons of mass destruction and delivery system programs as well as lethal military equipment sales. During 2003, the Department imposed sanctions on a number of foreign entities. For example, in May 2003, the Department placed export and import ban sanctions on the Chinese entity China North Industries Corporation (NORINCO).



I/P #10: COMPLIANCE DIPLOMACY <i>Continued</i>		
INPUT INDICATOR <i>Continued</i>		
Indicator #4: Status of Implementation of a Global Norm of Adherence to and Compliance with Arms Control and Nonproliferation Agreements and Commitments <i>continued</i>		
FY 2003 DATA	Target	<ol style="list-style-type: none"> Proliferation Behavior: Participate in rigorous review of proliferation behavior to determine sanctionable activities. (The Non-Compliance Report) Non-proliferation Compliance/ Enforcement: Compliance associated with arms control and nonproliferation agreements and commitments enforced. Start Treaty: Conducted START Treaty-related consultations. Sanctions: Expanded use of sanctions to induce foreign states' compliance with their nonproliferation obligations.
	Rating	<div></div> On Target
	Impact	<p>Better compliance enforcement through diplomacy and sanctions sends a strong message of U.S. resolve to prevent the proliferation of dangerous weapons.</p> <ul style="list-style-type: none"> Department efforts led to the resolution of several CWC compliance concerns with other States Parties, advanced U.S. interests in the destruction of Soviet era Chemical Weapons Production Facilities, and in the amendment of another State Party's declaration under the CWC. In answer to both administration and Congressional concerns, Russia has offered to provide access to documents that may be key to resolving U.S. CWC compliance concerns with that country. U.S. emphasis on BWC compliance has reinvigorated BWC consultations. A highly successful experts meeting took place in August at which state parties exchanged information on bio-security and bio-safety. Sanctions efforts are an important nonproliferation tool. They help deter entities from transferring items of concern and punish those that have them. Increased use of sanctions has created a stigma against proliferant activities. In addition, these sanctions often have a substantial financial impact on proliferators. For example, it is estimated that the import ban sanctions against the Chinese firm China North Industries Corporation (NORINCO) will cost them approximately \$150 million dollars in U.S. business.
OUTCOME INDICATOR		
Indicator #5: Nuclear Verification Information System (NVIS) Enhances Verification of Compliance With Nuclear Testing Treaties and Moratoria		
FY RESULTS HISTORY	2000	Identified need to improve classified and open source information access for verifying compliance with nuclear testing treaties and moratoria.
	2001	Initial contracts concluded for development of Phase I of the NVIS tool on the Secret Internet Protocol Router Network (SIPRNET).
	2002	Received and used information from U.S. National Technical Means (NTM) and open sources to verify compliance with nuclear testing treaties, commitments, and moratoria.
FY 2003 DATA	2003 Results	N/A (See "other issues" below).
	Target	Use NVIS to verify international compliance with nuclear testing treaties, commitments and moratoria and to develop USG compliance positions.
	Rating	<div></div> N/A
	Impact	N/A
	Other Issues	Indicator was dropped. Work pertaining to this indicator was subsumed into indicator four.



I/P #11: ALL SOURCE INTELLIGENCE COLLECTION AND TECHNOLOGY R&D

Promote Intelligence Collection Resources and Technology Research and Development to Support Arms Control and Non-Proliferation Verification Objectives and Secure and Protect Intelligence Information.

		INPUT INDICATOR
Performance		Indicator #6: Prepared for Rapid Assessment of Allegations of Biological and Chemical Weapons Use
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Requirement for rapid assessment policy identified. Team formed and research begun on methodology and policies to accomplish.
FY 2003 DATA	2003 Results	N/A (See "other issues below")
	Target	Department develops U.S. policy for the rapid assessment of allegations of biological and chemical weapons use.
	Rating	■ N/A
	Impact	N/A
	Other Issues	Indicator was dropped. Work pertaining to this indicator was subsumed into indicator seven.



I/P #11: ALL SOURCE INTELLIGENCE COLLECTION AND TECHNOLOGY R&D <i>Continued</i>		
OUTCOME INDICATOR		
Indicator #7: Intelligence Collection Resources Promoted to Support Arms Control and Nonproliferation Verification Objectives		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	<ol style="list-style-type: none"> 1. Verification Assets Fund (V-Fund) utilized. 2. Verification Technology R&D and intelligence assets coordinated and supported. 3. The Department provided \$400,000 to initiate a Program Office and to advocate funding the replacement for the COBRA JUDY radar (operated by the Department of Defense and the intelligence community), critical for verification of the Strategic Arms Reduction Treaty (START) and for missile proliferation assessments. 4. The Verification and Compliance Bureau (VC) co-chaired the interagency Nonproliferation and Arms Control Technology Working Group (NPAC TWG), which acts as a central Coordinator for verification technology and identifies shortfalls in funding for critical arms control and nonproliferation R&D projects. 5. The Department finalized the biennial NPAC TWG Report. As co-chair, VC assisted in sponsoring major symposia on Biological Weapons Detectors, Nuclear Explosion Detection, Chemical Weapons Detectors, and Unattended Radiation Sensors.
	2003 Results	<ol style="list-style-type: none"> 1. USG did not seek funding from Congress for the V Fund, but Department identified projects and funded key intelligence programs using Department funds, important for verification of agreements and for ascertaining WMD-related activities. 2. The annual Nonproliferation and Arms Control Technology Working Group (NPAC TWG) Conference was postponed due to the war in Iraq. 3. Participated in over 20 USG intelligence groups that monitor and assess weapons and proliferation activities. 4. Directed appropriate action related to sensors and other assets in support of arms control and nonproliferation objectives. 5. With the assistance of other USG agencies and departments, the Department began compiling data related to the assessment of allegations of chemical and biological weapons use or accidental release of dangerous pathogens.
FY 2003 DATA	Target	<ol style="list-style-type: none"> 1. Finance the Verification Assets Fund (V Fund) mandated by Congress in 1999 in support of preserving intelligence assets and funding R&D critical for supporting arms control and nonproliferation objectives. 2. Conduct the annual Nonproliferation and Arms Control Technology Working Group (NPAC TWG) Conference. Assist in conducting several major symposia involving NPAC TWG focus groups. 3. Identify and fund V Fund projects which are important for monitoring WMD activities. 4. Urge and obtain redeployment of key intelligence assets against significant threats. 5. Begin work on establishing a task force to assess allegations of chemical and biological weapons use or accidental release of dangerous pathogens.
	Rating	<div></div> On Target
	Impact	<ul style="list-style-type: none"> ● Funding of key intelligence assets is critical to verify agreements and commitments, assess compliance, and respond to WMD-related activities. ● Participation in intelligence groups is essential to preserving and enhancing our ability to verify arms control and nonproliferation agreements and commitments and for assessing and enforcing compliance. ● Establishing a task force on allegations of chemical and biological weapons (CBW) use or an accidental release of dangerous pathogens will enhance the United States' ability to effectively assess and respond to CBW events.



I/P #12: RAPID AND ACCURATE COMMUNICATIONS FOR ARMS CONTROL		
Ensure the rapid transmission of important information regarding compliance with nonproliferation/arms control restrictions.		
OUTPUT INDICATOR		
Indicator #8: Reliable Communications and Timely Upgrades		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. U.S.-Russian Nuclear Risk Reduction Centers (NRRC) Agreement Amendment Protocol signed by the Secretary in January 2000. 2. Study of architecture for Government-to-Government Communications Links (GGCL) replacement system began (the current system is operational only until 2005).
	2001	Study of architecture for GGCL replacement system took place.
	2002	<ol style="list-style-type: none"> 1. START partners (former Soviet nuclear states) considered completed U.S. proposal for replacement of current GGCL system. 2. Integrated Notification Application (INA), designed to support the Conventional Armed Forces in Europe (CFE), Open Skies and the Vienna Document (VC) 1999 notification exchange was tested; OSCE Network Phase II Migration was on-track.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. GGCL preliminary modernization authorized by START partners in the summer of 2003. 2. The INA became operational. 3. Network migration completed, with startup of Internet-based Virtual Private Network (VPN). All Network members successfully migrated.
	Target	<ol style="list-style-type: none"> 1. Begin coordination of international testing of accepted GGCL replacement architectural designs. 2. INA fully functional with installation by all Network members. The three former notification-processing applications supporting CFE, the Vienna Document, 1999, and Open Skies to be discontinued. 3. More non-connected OSCE Network states join the Network. The reduced communications costs of the VPN are realized.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	These improvements will result in more rapid and accurate communications among the United States, Russia, and the other START Treaty parties, thereby facilitating implementation and compliance and reducing the likelihood of misunderstandings among governments.

VIII. Program Evaluations and PART Reviews

One program evaluation was conducted in FY 2003 that pertained to this Strategic Goal.

- Review of Department of State's End-Use Monitoring of Munitions Exports (AUD/PR-03-31), (OIG)

Detailed information on major findings, recommendations and actions to be taken for this program evaluation can be found in the "Completed Program Evaluations for FY 2003" appendix.



STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

STRATEGIC GOAL 5: INTERNATIONAL CRIME AND DRUGS

Minimize the Impact of international crime and illegal drugs on the United States and its citizens

I. Public Benefit



One of the three boats given to Jamaica by the U.S. government is seen during a demonstration in Kingston, Jamaica. During the ceremony, U.S. Ambassador Sue Cobb handed over the keys and documents for the boats. The boats were given to the Jamaican government to help combat cocaine smuggling from South America.

© AP Photo/Collin Reid

Americans face growing security threats, both at home and abroad, from international terrorist networks and their allies in the illegal drug trade and international criminal enterprises. Illegal drugs impose a staggering toll, killing more than 19,000 Americans annually and costing more than \$160 billion in terms of law enforcement, drug-related health care, and lost productivity. This is in addition to the wasted lives; the devastating impact on families, schools, and communities; and the generally corrosive effect on public institutions. In the President's words, "Illegal drug use threatens everything that is good about our country." International crime groups, although they attract less media attention, rival the threat posed by narcotics traffickers. International trafficking in women and children, smuggling of migrants and contraband, money laundering, cybercrime, theft of intellectual property rights, vehicle theft, public corruption, environmental crimes, and trafficking in small arms cost U.S. taxpayers and businesses billions of dollars

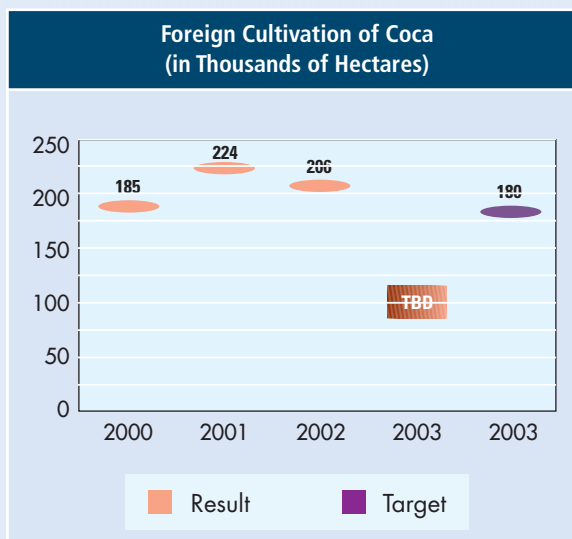
each year. International trafficking in persons violates fundamental human rights of victims. Experts estimate that non-drug crime accounts for half of the estimated \$750 billion of money laundered each year in the United States.

The events of 9/11 and their aftermath highlight the close connections and overlap among international terrorists, drug traffickers, and transnational criminals. All three groups seek out weak states with feeble judicial systems, whose governments they can corrupt or even dominate. Such groups jeopardize peace and freedom, undermine the rule of law, menace local and regional stability, and threaten the United States and its friends and allies.

To meet these challenges, the Department supports a robust and comprehensive range of public-private, bilateral, regional, and global initiatives and assistance programs to build up the law enforcement capabilities of foreign governments so they can help stop these threats before they reach U.S. soil. This includes working with other USG agencies and foreign governments to break up drug trafficking and other international crime groups, disrupt their operations, arrest and imprison their leaders, and seize their assets. To this end, the Department works with foreign governments to set international anti-crime standards, close off safehavens to criminal groups, pool skills and resources, improve cross-border cooperation, and build up their domestic law enforcement skills and capabilities.



II. Selected Performance Trends



III. Strategic Context

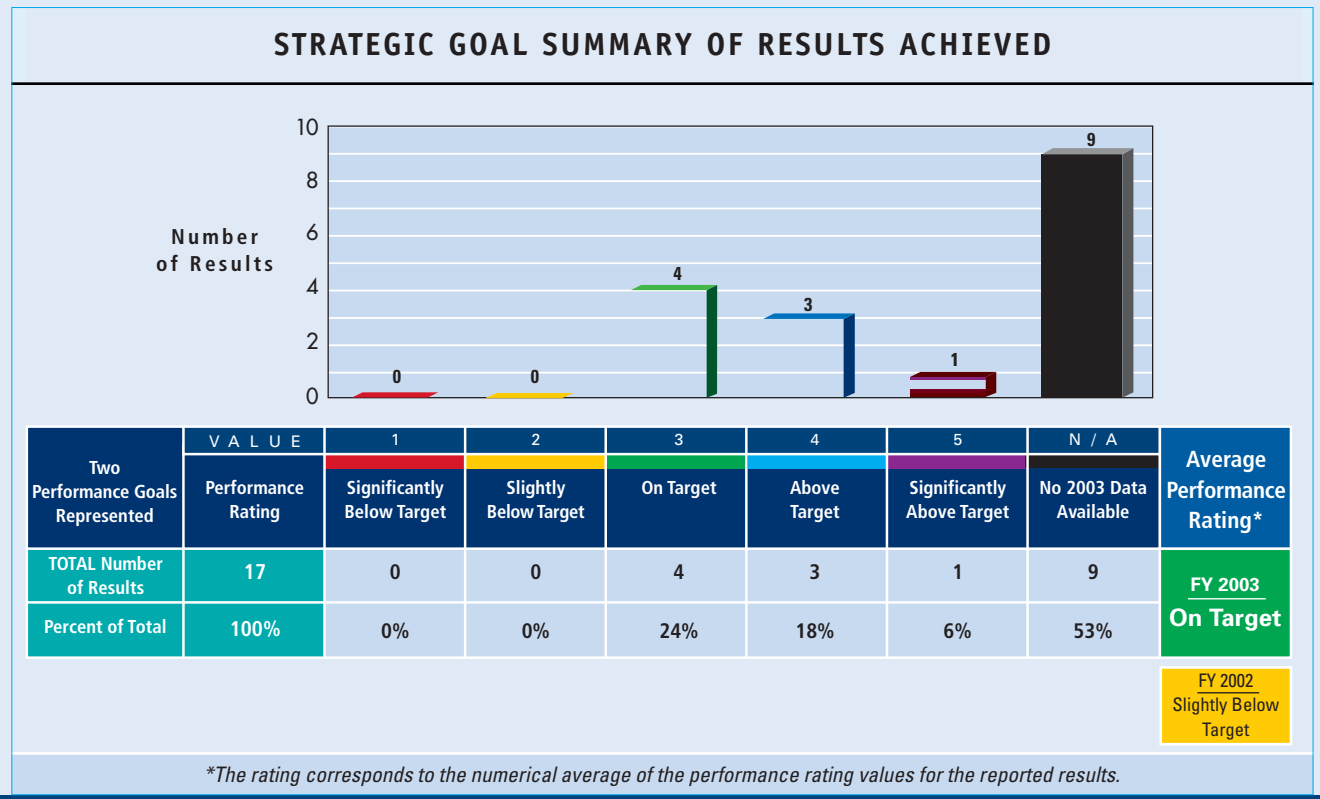
The International Crime and Drugs strategic goal is supported by two performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
International Crime and Drugs	Disruption of Criminal Organizations	Andean Counterdrug Initiative	Office to Monitor and Combat Trafficking in Persons	DOD, USAID, DEA, DOJ, ONDCP, CNC
		Improve Anti-Trafficking in Persons Prosecutorial and Protection Capacities	International Narcotics and Law Enforcement, Western Hemisphere Affairs	DOJ, DOL, USAID, DHS, UN, IOM, ILO, Asia Foundation, OAS, OSCE, Stability Pact, SECI, ASEAN, ECOWAS, SADC
	Standard Settings, Law Enforcement and Judicial Systems	Support Investigations of Major International Criminals	International Narcotics and Law Enforcement, International Organizations	DOJ, DHS, UN
		International Law Enforcement Academies (ILEAs)	International Narcotics and Law Enforcement	DOJ, DHS, Treasury
		Anticorruption	International Narcotics and Law Enforcement	DOJ, UN, USAID, OGC, DOC

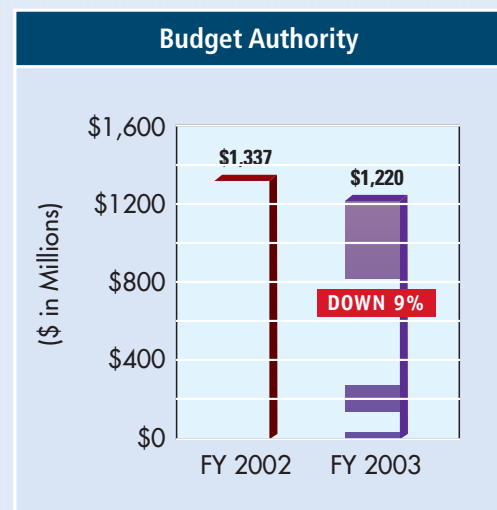
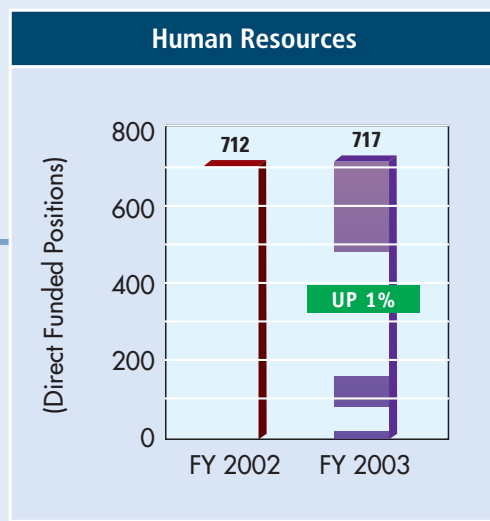


IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the International Crime and Drugs strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", an improvement from last year's "slightly below target" rating.



V. Resources Invested



VI. Illustrative Example of a Significant Achievement

Andean Counterdrug Initiative

Building on the record year 2002, when the aggressive U.S. supported aerial eradication program in Colombia reduced coca cultivation by more than 15 percent and opium poppy cultivation by 25 percent, the 2003 aerial eradication program continued at an unprecedented rate by spraying more than 124,000 hectares of coca and 2,500 hectares of opium poppy by the end of November. Since the beginning of the Uribe Administration in August 2002, Columbia has extradited 68 Colombian nationals to the U.S. primarily on narcotics or money-laundering charges.

Completion of a new agreement with Colombia to resume the Air Bridge Denial program added an important weapon to the counterdrug campaign. Negotiations with Peru to establish a similar program there got underway. Meanwhile, coca cultivation in Peru declined 15 percent in 2003. Bolivia continues a strong forced coca eradication program in the Chapare, where it is expected to eradicate around 10,000 hectares in 2003, and has doubled the 2002 rate of interdiction of drugs and precursor chemicals.



U.S. President George W. Bush greets the President of Columbia, Alvaro Uribe, in Washington, DC. The Presidents discussed the war on terrorism and drug trafficking as well as trade and the strengthening of bilateral ties.

© AP Photo/Shawn Thew



VII. Performance Results

PERFORMANCE GOAL 1

International trafficking in drugs, persons, and other illicit goods disrupted and criminal organizations dismantled

I/P #1: ANDEAN COUNTERDRUG INITIATIVE			
Reinforce the unified campaign against drug trafficking and the terrorists who benefit from it.			
		OUTCOME INDICATOR	
		Indicator #1: Foreign Cultivation of Coca, Opium Poppy, and Marijuana ¹ (in Hectares)	
FY RESULTS HISTORY	2000	1. Coca:	185,000
		2. Opium Poppy:	209,465
		3. Marijuana:	8,700
FY RESULTS HISTORY	2001	1. Coca:	223,700
		2. Opium Poppy:	143,000
		3. Marijuana:	8,900
FY RESULTS HISTORY	2002	1. Coca:	205,450
		2. Opium Poppy:	141,200
		3. Marijuana:	Data not yet available
FY 2003 DATA	2003 Results	1. Coca: Data not yet available. 2. Opium Poppy: 127,000 (Afghanistan, Burma, and Laos). 3. Marijuana: Data not yet available (Mexico only).	
	Target	1. Coca: 180,000 2. Opium Poppy: 125,000 3. Marijuana: 5,600	
	Rating	■ 1.TBD, but projected to be On or Above Target for coca. ■ 2.TBD, but projected to be Below Target for opium poppy. ■ 3.TBD, but projected to be On Target for marijuana.	
	Impact	Coca: The reduction in coca cultivation is the core of the U.S. effort to curtail supply and disrupt and undercut the viability of cocaine trafficking operations, as happened in Peru and Bolivia in the 1990s and which should now be starting to take place in Colombia. Opium Poppy: The downward trend in Southeast Asia continues, primarily as a result of a sharp decrease (39 percent) in Burma. However, figures for Afghanistan, once again the world's leading producer, essentially doubled in 2003, to 61,000 hectares. In sum, global cultivation of opium poppy will probably decline very slightly in 2003 but will fall short of the intended target.	
	Other Issues	The CIA's Crime and Narcotics Center provides estimates for cultivation of coca and opium poppy based on overhead photography and limited ground verification. Not all 2003 data and estimates are available. Estimates for coca cultivation in Peru and Bolivia this year have been completed but the estimates for Colombia, the world's largest producer, will not be available until late February or early March. The opium poppy cultivation estimates for Columbia and Mexico are not yet available.	
¹ Mexico only.			



I/P #1: ANDEAN COUNTERDRUG INITIATIVE <i>Continued</i>			
		OUTCOME INDICATOR	
		Indicator #2: Potential Production of Cocaine and Heroin in Key Source Countries <i>(in Metric Tons)</i>	
FY RESULTS HISTORY	2000	1. Cocaine: 840 2. Heroin: 498	
	2001	1. Cocaine: 995 2. Heroin: 123	
	2002	1. Cocaine: 880 2. Heroin: 235 ¹	
FY 2003 DATA	2003 Results	1. Cocaine: TBD 2. Heroin: 337 (est.)	
	Target	1. Cocaine: 759 2. Heroin: 240	
	Rating	<div><div></div> TBD, but projected to be On Target for cocaine.</div> <div><div></div> TBD, but projected to be Below Target for heroin.</div>	
	Impact	The projected decline in coca cultivation should lead to an overall decline in cocaine production and trafficking profit. Although the total hectares of opium poppy under cultivation will likely decline very slightly in 2003, the large increase in the proportion of Afghan opium poppy to world totals (Afghan cultivation essentially doubled in 2003) will likely mean a substantial increase in the potential overall production of heroin because Afghan poppy plants normally have higher yields than plants from Southeast Asia.	
	Other Issues	Includes major producers Afghanistan, Burma, and Laos. Estimates for Mexico, Colombia, and others not yet available. While Colombia and Mexico are relatively small producers, they supply approximately 90 percent of the illicit heroin entering the U.S. Most of the opium and heroin from Southeast and Southwest Asia goes to Europe and Russia or remains in the region.	
		OUTCOME INDICATOR	
		Indicator #3: Seizures of Cocaine (HCl/base) (Columbia, Peru, Bolivia) <i>(in Metric Tons)</i>	
FY RESULTS HISTORY	2000	Cocaine: 86	
	2001	Cocaine: 93	
	2002	Cocaine: 132	
FY 2003 DATA	2003 Results	Data not yet available.	
	Target	Cocaine: 110	
	Rating	<div><div></div> TBD, but projected to be On Target.</div>	
	Impact	Increased seizures normally reflect greater and more effective interdiction activity on the part of counternarcotics forces. Seizures disrupt operations and raise the cost of doing business for traffickers.	
¹ Does not include estimate for Colombia, which is not yet available.			



I/P #2: IMPROVE ANTI-TRAFFICKING PROSECUTORIAL AND PROTECTION CAPACITIES		
Train law enforcement officials and service providers to identify trafficking rings and victims, effectively use existing legislation, weed out corruption, and ensure protections for victims.		
OUTCOME INDICATOR		
Indicator #4: Progress Toward the Elimination of Trafficking in Persons (TIP)		
FY RESULTS HISTORY	2000	Baseline: The Trafficking Victims Protection Act of 2000 (P.L. 106-386) called for the creation of the Office to Monitor and Combat Trafficking in Persons.
	2001	<ol style="list-style-type: none"> 1. The Office to Monitor and Combat Trafficking in Persons was established. 2. First Trafficking in Persons Report was issued.
	2002	<ol style="list-style-type: none"> 1. The President's Interagency Taskforce and Senior Policy Advisory Group coordinated anti-trafficking policy. 2. Ratification package for UN Trafficking in Persons Protocol was sent to the Senate. 3. Second Trafficking in Persons Report was issued.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 1. Thirty percent of Tier 2 and Tier 3 countries use Department assistance to develop or further anti-trafficking initiatives. 2. Third TIP Report was issued and includes twenty-six additional countries for a total of 116. 3. Promoted "best practices" through five new bilateral and regional initiatives among source, transit, and destination countries. 4. Forty-five countries ratified UN Trafficking in Persons Protocol.
	Target	<ol style="list-style-type: none"> 1. Thirty percent of Tier 2 and 3 countries use Department assistance to develop or further anti-trafficking initiatives.¹ 2. Expand TIP report to include twenty additional countries with significant number of trafficking victims. 3. Promote best practices via five new bilateral and regional initiatives among source, transit, and destination countries. 4. Twenty-five countries ratify UN Trafficking in Persons Protocol.
	Rating	<div> <div></div> 1. On Target <div></div> 2. Above Target <div></div> 3. TBD (expect to be On Target) <div></div> 4. Significantly Above Target </div>
	Impact	Reason for Significantly Exceeding Performance Target: The annual Trafficking in Persons Report has motivated many governments to take action against trafficking and be more forthcoming with information on their efforts. There is increasing collaboration between governments and civil society groups to prosecute traffickers and protect victims. There is also increasing coordination among governments of source, transit, and destination countries.
	¹ Tier 1, 2 and 3 country ratings: A rating scale used to designate levels of governmental efforts to combat trafficking on the basis of minimum standards. First Tier countries are those that are in full compliance with standards. Second Tier countries are those not in full compliance but which are making good efforts to comply. Third Tier countries neither fully comply with the minimum standards nor make significant efforts to do so.	



I/P #2: IMPROVE ANTI-TRAFFICKING PROSECUTORIAL AND PROTECTION CAPACITIES <i>Continued</i>		
OUTPUT INDICATOR		
Indicator #5: Parties to the 1988 UN Drug Convention		
FY RESULTS HISTORY	2000	152
	2001	162
	2002	165
FY 2003 DATA	2003 Results	170
	Target	170
	Rating	■ On Target
	Impact	The 1988 Drug Convention is the primary source of international law for setting standards against illicit drugs and facilitating international cooperation in combating them. States Parties to the Convention are legally committed to carry out its provisions.
	Other Issues	Most countries have now ratified the Convention, which means that they are legally obligated to carry out the provisions of the Convention. The remaining states are either not likely to ratify in the foreseeable future or are not important in terms of drug trafficking. Therefore, beginning in FY 2004, this indicator was discontinued.

Some of 40 kilos of opium and other drug trafficking evidence are on display at a news conference announcing the dismantling of an opium trafficking operation headed by Ardash Harytoonian of Glendale, Calif., at DEA headquarters in Los Angeles. A total of 14 arrests were made of members of the group that smuggled opium from Afghanistan and Iran into the U.S.

© AP Photo/Reed Saxon






PERFORMANCE GOAL 2

States cooperate internationally to set and implement anti-drug and anti-crime standards, share financial and political burdens, and close off safehavens through justice systems and related institution building

I/P #3: SUPPORT INVESTIGATION/PROSECUTION OF MAJOR INTERNATIONAL CRIMINALS		
Set standards; share political and financial burdens through international cooperation.		
OUTCOME INDICATOR		
Indicator #1: Status of UN Convention Against Transnational Organized Crime (TOC) and Supplemental Protocols (e.g., Trafficking in Persons Protocol and the Migrant Smuggling Protocol)		
FY RESULTS HISTORY	2000	Negotiations in progress.
	2001	TOC completed; 135 states signed treaty.
	2002	<ol style="list-style-type: none"> 1. A total of 141 states signed the TOC, of which, 24 have ratified it. Of the 107 states that have signed the Trafficking in Persons Protocol, 14 have ratified it. 2. Of the 103 states that have signed the Migrant Smuggling Protocol, 13 have ratified it. 3. Of the 35 states that have signed the firearms protocol, two have ratified it.
FY 2003 DATA	2003 Results	<ul style="list-style-type: none"> • Fifty-six states have ratified the TOC; 45 states have ratified the Trafficking in Persons Protocol; 40 states have ratified the Migrant Smuggling Protocol. All have entered into force.
	Target	Forty states ratify TOC treaty, which enters into force.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: #0070C0; border: 1px solid #0070C0;"></div> Above Target
	Impact	<p>This is the first global convention whereby states agreed to criminalize a range of crime normally committed by transnational organized crime groups and agreed to cooperate in tracking down and bringing to justice their leaders and members. Now that both the TOC Convention and the Trafficking in Persons Migrant Smuggling Protocols have entered into force, they take on the force of international law for States Parties, which are legally committed to implement the provisions of both agreements. States that have signed but not ratified (including the United States) are obligated to take no steps that are contrary to the object and purpose of the treaty.</p>



I/P #4: INTERNATIONAL LAW ENFORCEMENT ACADEMIES (ILEAs)				
Upgrade the facilities of existing ILEAs to permit a broader range of operational training, including counterterrorism.				
		INPUT INDICATOR		
		Indicator #2: Number of Officials Trained at International Law Enforcement Academies (ILEAs) and Through Other Programs		
FY RESULTS HISTORY	2000	1. ILEA:	1,100	
		2. Other:	11,799	
	2001	1. ILEA:	1,412	
		2. Other:	14,581	
	2002	1. ILEA:	2,100	
		2. Other:	9,500	
FY 2003 DATA	2003 Results	1. ILEA:	2,200	
		2. Other:	4,500	
	Target	1. ILEA:	2,100	
		2. Other:	15,000	
	Rating	1.  ILEA: Above Target		
	2.  Other: N/A (See "Other Issues" Below)			
	Impact	Training is a key ingredient in the development of professional law enforcement officials and the improvement of institutions they work with and lead. ILEA training is particularly important and cost-effective because it combines a focus on regional issues with international training standards. Law enforcement officers from different countries train together on a regional basis, creating an informal network that improves cooperation at the operational level.		
	Other Issues	"Other" training is now embassy-determined and project-driven, it no longer useful as a performance indicator. Henceforth, the Department will no longer report on "other training" as currently defined.		
		INPUT INDICATOR		
		Indicator #3: Number of Law Enforcement Officials Receiving Counternarcotics Training		
FY RESULTS HISTORY	2000	1,200		
	2001	1,662		
	2002	1,800		
FY 2003 DATA	2003 Results	No data collected during FY 2003.		
	Target	1,800		
	Rating	 N/A		
	Impact	N/A		
	Other Issues	After FY 2002, the Department discontinued tracking this information because it was no longer pertinent to performance. Per the Department's planning cycle, the indicator was developed in late FY 2002, but discontinued shortly thereafter.		



I/P #5: ANTICORRUPTION		
Target four anticorruption areas: transparency in fiscal affairs, transparency in procurement, enforcement, and empowering civii society.		
OUTCOME INDICATOR		
Indicator #4: Status of UN Convention Against Corruption		
FY RESULTS HISTORY	2000	UN Crime Center received mandate to complete comprehensive study of existing work on corruption.
	2001	Study completed. Experts Group developed Terms of Reference for negotiations.
	2002	Progress made at three negotiating sessions.
FY 2003 DATA	2003 Results	Agreement reached on text of convention. Signing ceremony set for December.
	Target	Consensus reached on text of all major provisions.
	Rating	■ On Target
	Impact	This is the first global treaty against corruption. It provides a comprehensive approach to fighting corruption and requires countries to criminalize corrupt behavior, implement measures to prevent corruption, and facilitate international cooperation in combating corruption. It also provides a channel for governments to recover assets illicitly acquired by corrupt officials and, in certain situations, return assets stolen from state treasuries. States that sign the treaty will be obligated to take no steps contrary to its object and purpose. States that subsequently ratify the treaty will be legally obligated to carry out its provisions.
OUTCOME INDICATOR		
Indicator #5: Status of Regional Anticorruption Frameworks		
FY RESULTS HISTORY	2000	Three existing multilateral anti-corruption and peer review mechanisms (OAS, COE,GCA).
	2001	Number of mechanisms increased to four, by addition of Stability Pact agreement.
	2002	Number of mechanisms increased to five, by addition of ADB/OECD Asia Initiative.
FY 2003 DATA	2003 Results	African Union (AU) Convention on Preventing and Combating Corruption was adopted by the African Union General Assembly at the AU Summit in Maputo in July 2003. The Convention is now open to signature for 42 AU member States. AU is working with Transparency International to develop a monitoring and assistance mechanism related to The New Partnership for Africa's Development (NePAD).
	Target	Number of mechanisms increased to six by addition of African Union.
	Rating	■ On Target
	Impact	Regional anti-corruption compacts complement and reinforce international conventions, such as the recently completed UN Convention Against Corruption. Regional agreements involve a more active role for regional participants and a corresponding greater sense of "ownership" of anti-corruption issues and problems. The signing of the AU Convention raises the profile of the issue within the region and provides a multilateral vehicle for cooperation and assistance to those governments that have the political will to combat corruption. Moreover, it is the first step in a process toward a regional monitoring mechanism of peer pressure to ensure that individual governments implement the provisions of both the AU Convention as well as other international anti-corruption instruments, such as the UN Convention.

VIII. Program Evaluations and PART Reviews

One program evaluation was conducted in FY 2003 that pertained to this Strategic Goal.

- Drug Control – Specific Performance Measures and Long-Term Costs for U.S. Programs in Colombia Have Not Been Developed (GAO-03-783)

Detailed information on this program evaluation's major findings, recommendations, and actions to be taken can be found in the "Completed Program Evaluations for FY 2003" appendix.



STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

STRATEGIC GOAL 6: AMERICAN CITIZENS

Assist american citizens to travel, conduct business, and live abroad securely

I. Public Benefit

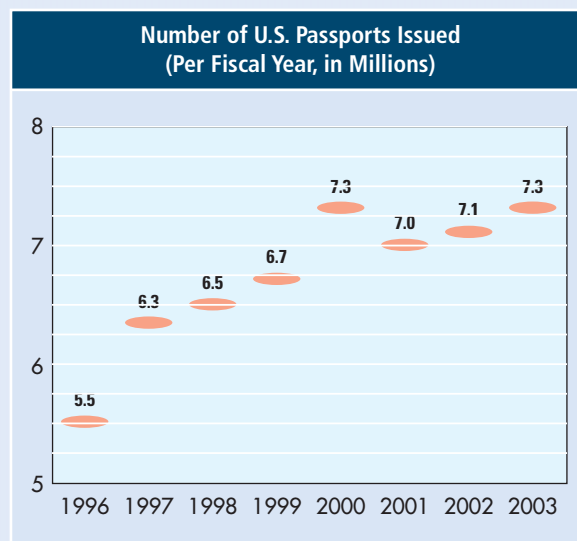
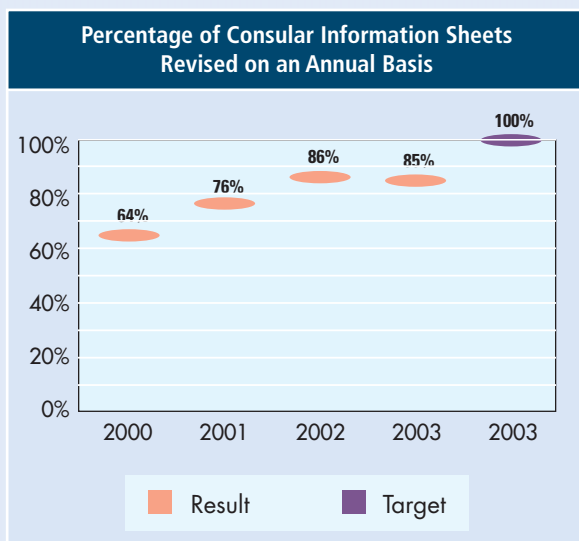
The Department has no more vital responsibility than the protection of American citizens. Approximately 3.2 million Americans reside abroad, and Americans make about 60 million trips outside the United States each year. The Department issues a passport that gives Americans the freedom to travel internationally and is a symbol of the protection that the USG provides its citizens.

U.S. embassies and consulates provide a range of services that protect U.S. citizens from the cradle to the grave. The Department must plan for the unexpected and be prepared to respond to crises abroad, transportation disasters, and other situations in which U.S. citizens need assistance, including incidents of terrorism and other serious crimes such as hostage taking, homicide, assault, domestic violence, child abuse, and international parental child abduction. The Department ensures that host governments take steps to protect Americans from crime and unrest; develop effective investigative, prosecutorial, and other judicial capabilities to respond to American victims of crime; and expand their cooperation and information sharing with the United States in order to prevent terrorist attacks on U.S. citizens. The Department also works with foreign governments, other USG agencies, and international organizations on transportation security initiatives.

To alert Americans to conditions that may affect safety and travel abroad, the Department disseminates threat assessments to posts abroad and announcements to the public as quickly as possible using all available means. The Department uses its websites and its Consular Information Program to inform U.S. private sector interests of security-related issues. The Department uses threat information and security expertise overseas to protect their personnel, property, proprietary information, and other assets. The Department is making its websites increasingly accessible and interactive and encourages the traveling American public to register with posts abroad.

*Department of State Photo*

II. Selected Performance Trends



III. Strategic Context

The American Citizens strategic goal is supported by two performance goals. Shown below are the performance goals, initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

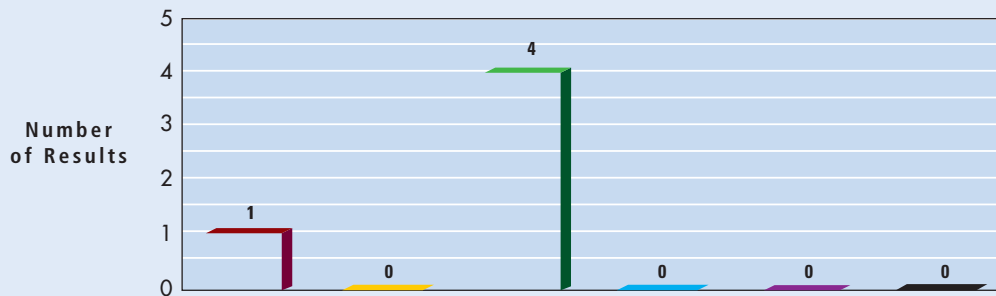
Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
American Citizens	Assistance for U.S. Citizens Abroad	American Citizen Services	Consular Affairs	DOJ, DOD, HHS, DOT; NCMEC, other NGOs
	Passport Issuance and Integrity	Secure Passport Issuance	Consular Affairs	GPO, Treasury, DHS, SSA, USPS, USMS, HHS; ICAO; NAPHSIS, AAMVA



IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the American Citizens strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "slightly below target", a decline from last year's "on target" rating.

STRATEGIC GOAL SUMMARY OF RESULTS ACHIEVED

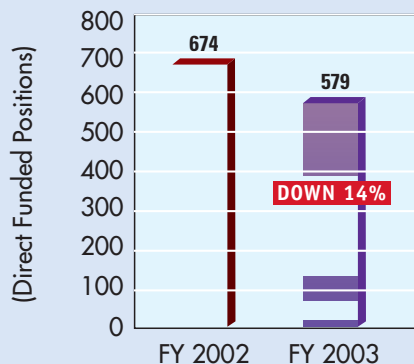


Two Performance Goals Represented	VALUE	1	2	3	4	5	N / A	Average Performance Rating*
	Performance Rating	Significantly Below Target	Slightly Below Target	On Target	Above Target	Significantly Above Target	No 2003 Data Available	
TOTAL Number of Results	5	1	0	4	0	0	0	FY 2003 Slightly Below Target
Percent of Total	100%	20%	0%	80%	0%	0%	0%	FY 2002 On Target

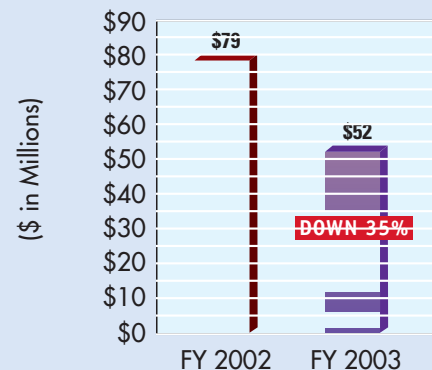
*The rating corresponds to the numerical average of the performance rating values for the reported results.

V. Resources Invested

Human Resources



Budget Authority



VI. Illustrative Example of a Significant Achievement

Passport Services



The Department integrated the U.S. Marshals database (Warrants Information Network (WIN)) of individuals subject to outstanding federal warrants of arrest into the passport "name check" system. Over two dozen arrests of federal fugitives have been made as a result of WIN hits.

The U.S. Department of Health and Human Services (HHS) has partnered with the Department's Passport Services on the passport denial program. The HHS/Passport Services partnership was quite successful again this year. Using HHS information on individuals who have fallen behind on child support payments, the Department denies passport issuance when these individuals request passport services until such obligations are met. As a result, the HHS Child Support Assistance program collected over \$7,000,000 in arrearages directly due to the passport denial program. The reported lump sum collections since the program's inception in June 1998 totals approximately \$27,000,000.

The Department's Charleston, South Carolina Center began operations in April 2000, and handles passport applications from all 50 States as well as from American embassies and consulates overseas. With a staff of 175, the Center has issued 3.5 million passports since it opened. The new photodigitized books produced by Passport Services have greatly enhanced U.S. border security.

Department of State Photo



VII. Performance Results

PERFORMANCE GOAL 1

U.S. citizens have the consular information, services, and protection they need when they reside, conduct business, or travel abroad

I/P #1: AMERICAN CITIZEN SERVICES		
Provide citizens with up-to-date information and easy access to consular services.		
OUTPUT INDICATOR		
Indicator #1: Percentage of Consular Information Sheets (CIS) Revised on an Annual Basis		
FY RESULTS HISTORY	2000	64%
	2001	76%
	2002	86%
FY 2003 DATA	2003 Results	85%
	Target	100%
	Rating	■ Significantly Below Target
	Impact	Reason for Significant Performance Shortfall: The goal of annual revision of all CIS could not be reached this year because crisis management duties and other assistance to Americans with problems abroad took precedence. The Department will make a concerted effort to reach 100% in FY 2004.
OUTPUT INDICATOR		
Indicator #2: Access to Online Registration System		
FY RESULTS HISTORY	2000	Some posts allowed registration on-line.
	2001	1. Assessment of Registration and Warden List Services completed. 2. U.S. embassies worked with the Bureau of Consular Affairs (CA) to formulate a global plan for allowing U.S. citizens to register with posts electronically.
	2002	Pilot software was developed for an Internet-based system that will allow Americans to register overseas travel itineraries at a central website.
FY 2003 DATA	2003 Results	Contract to manage the on-line registration system is on schedule and a 30-Day Notice of Proposed Information Collection was published in the Federal Register in September 2003.
	Target	Publish Notice of Proposed Information Collection for on-line registration that will allow both visitors and residents abroad to register electronically.
	Rating	■ On Target
	Impact	Once it is implemented, a global, electronic registration system will allow Americans to register their presence in a foreign country so that they may be contacted and assisted in the event of an emergency.



I/P #1: AMERICAN CITIZEN SERVICES <i>Continued</i>		
OUTPUT INDICATOR		
Indicator #3: Status of Hague Convention on Intercountry Adoption		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. The Senate ratified the Convention. 2. Congress passed the Intercountry Adoption Act of 2000 to implement the Convention.
	2001	<ol style="list-style-type: none"> 1. The President signed the Intercountry Adoption Act of 2000 (PL 106-279) on October 6, 2000. 2. Requirements for a federal accreditation program for adoption agencies and other new programs were established. 3. Adoption regulations were drafted.
	2002	<ol style="list-style-type: none"> 1. Adoption regulations were discussed and cleared with stakeholders and other federal agencies. 2. Software to manage international adoption cases was delayed to accommodate the Department's new responsibilities as Central Authority under the Hague Convention on adoptions.
FY 2003 DATA	2003 Results	A Proposed Rule on the implementation of the Hague Convention on Intercountry Adoption and the Intercountry Adoption Act of 2000 was published in the Federal Register in September 2003.
	Target	Adoption regulations are published in the Federal Register.
	Rating	■ On Target
	Impact	When the Convention enters into force for the United States, these regulations ensure that there will be accredited agencies and approved persons to provide adoption services.

PERFORMANCE GOAL 2

Effective and timely passport issuance, with document integrity assured

I/P #2: SECURE PASSPORT ISSUANCE		
Provide American citizens with a travel document that meets or exceeds international standards for passports and maintain current levels of productivity while meeting enhanced security requirements.		
OUTPUT INDICATOR		
Indicator #1: Development of a Biometrics Collection Program for U.S. Passports		
FY RESULTS HISTORY	2000	Biometrics were not used in U.S. passports.
	2001	Biometrics were not used in U.S. passports.
	2002	Inclusion of biometric indicators in U.S. passports considered.
FY 2003 DATA	2003 Results	<p>The International Civil Aviation Organization (ICAO) established standards for the integration of biometric identification information into passports and other Machine Readable Travel Documents (MRTDs) in May 2003, enabling the Department to begin to implement the standards in U.S. passports.</p> <p>Initial planning and requirements definition are underway. In July 2003, the Department issued a Request for Information relating to the integration of a chip with integrated circuit technology into the traditional paper-based passport booklet.</p>
	Target	Initial planning and requirements definition for biometrics collection.
	Rating	■ On Target
	Impact	<ul style="list-style-type: none"> • This year's result will make possible the issuance of a Request for Proposal (RFP) early in FY 2004, leading to production of the first electronic U.S. passport with contact-less chip technology for storing a full digital facial image biometric by October 26, 2004. • The increased use of biometric-enhanced passports will lead to speedier passage of travelers through airport controls, heightened aviation and border security, and added protection against identity theft and passport fraud.



I/P #2: SECURE PASSPORT ISSUANCE <i>Continued</i>		
OUTPUT INDICATOR		
Indicator #2: Checking of Passport Applications Against Social Security Administration (SSA) Death Records		
FY RESULTS HISTORY	2000	Capability did not exist.
	2001	Capability did not exist.
	2002	Baseline: 1. Capability did not exist. 2. Some initial work done to share data and check information.
FY 2003 DATA	2003 Results	Agreement in principle reached with SSA to check all passport applications against the SSA database. Memorandum of Agreement being prepared. The application software has been modified. Waiting for link to be established and completion of MOU to send data.
	Target	Continue to work to establish a data link with SSA systems.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	This result lays the groundwork for a data link that will improve verification of identity for each passport applicant and reduce the possibility of passport issuance to fraudulent applicants. Specifically, the connection will provide the ability to verify current active social security numbers as well as those of deceased individuals.

VIII. Program Evaluations and PART Reviews

One program evaluation pertaining to this Strategic Goal was conducted in FY 2003.

- Review of Domestic Passport Operations, Phase II: Fraud Prevention Programs (ISP-CA-03-25), (OIG)

Detailed information on this program evaluation can be found in the “Completed Program Evaluations for FY 2003” appendix.



STRATEGIC OBJECTIVE #2: ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS

Protecting our country and our allies from the dangers of terrorism, weapons of mass destruction, international crime, and regional instability is necessary but not sufficient for achieving national security. A more healthy, educated, democratic, and prosperous world — in short, a better world — will also be more stable and secure.

Our strategic goals for democracy and human rights, economic prosperity and security, and social and environmental issues are part of a larger whole. It is no coincidence that conflict, chaos, corrupt and oppressive governments, environmental degradation, and humanitarian crisis often reign in the same places.

The broad aim of our diplomacy and development assistance is to turn vicious circles into virtuous ones, where accountable governments, political and economic freedoms, investing in people, and respect for individuals beget prosperity, healthy and educated populations, and political stability.

STRATEGIC GOAL 7: DEMOCRACY AND HUMAN RIGHTS

Advance the growth of democracy and good governance, including civil society, the rule of law, respect for human rights, and religious freedom

I. Public Benefit

Extending and defending democracy has long been a centerpiece of U.S. foreign policy. The United States recognizes that a world composed of democracies will better protect America's long-term national security than a world of authoritarian or chaotic regimes. The rule of law, open markets, more prosperous economies, and better-educated citizens are all benefits of a democratic form of government. Democratic governance ensures a more peaceful, predictable world – a great and lasting benefit to the United States.



Protecting human rights and advocating democracy is an integral part of a U.S. foreign policy that seeks to end oppression, combat terrorism, and advocate American ideals and freedoms worldwide. We utilize the full range of diplomatic and programmatic tools to advance democratic reforms in individual countries. Multilaterally, we engage in fora such as the United Nations Commission on Human Rights (UNCHR), the Community of Democracies, and regional organizations, such as the Organization for Security and Cooperation in Europe (OSCE) and the Organization of American States (OAS), to advance these democratic ideals. The Department of State's annual

Afghan Literacy Class — Many of these are held outdoors without proper books or materials.

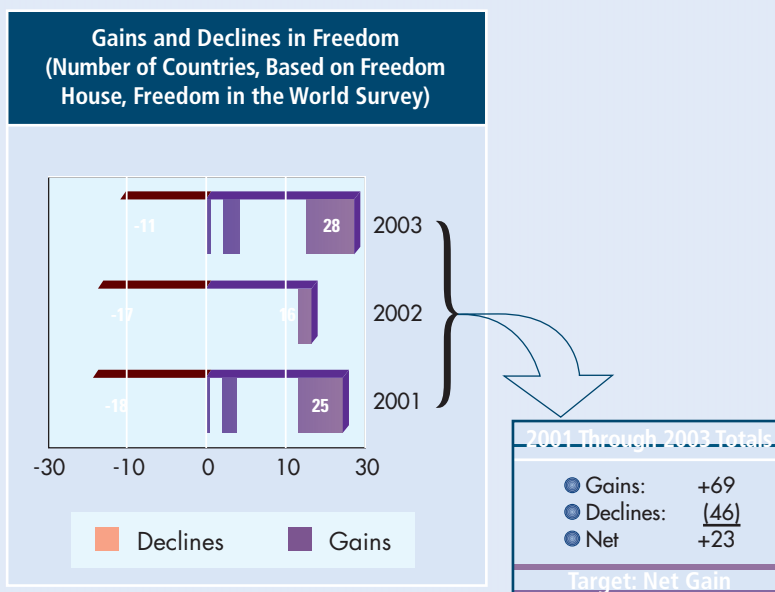
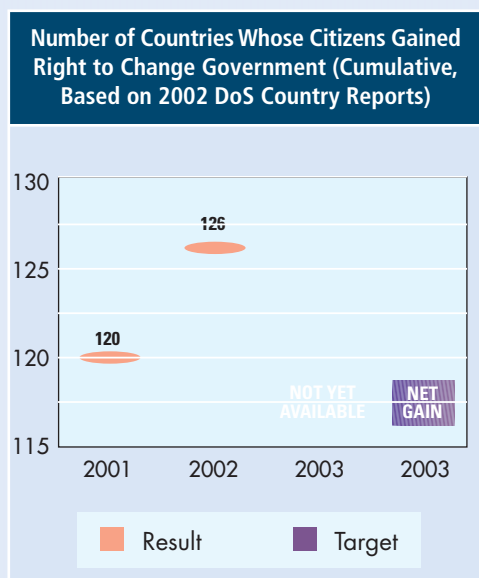
Department of State Photo



Country Reports on Human Rights Practices serves not only to inform Congress, but also to raise awareness on human rights across the globe. While the United States continues to play a leading role in promoting democracy and human rights, we recognize that they are not uniquely American concepts. By advancing these universal values, we build a stronger, safer, more prosperous world.

Over the past two decades, there has been unprecedented expansion of the number of democracies in the world. Nonetheless, we are well aware that many countries remain that routinely ignore international human rights or selectively uphold them, and we seek opportunities to cooperate with human rights advocates and policy makers to engender positive change. Advancing women's human rights, for example, generates benefits through the role women play in strengthening democracies, building economic security, increasing governments' respect for human rights and enhancing religious tolerance. As democratization must ultimately be a process driven by a society's citizenry, we work to make sure reforms reflect a representative political process.

II. Selected Performance Trends



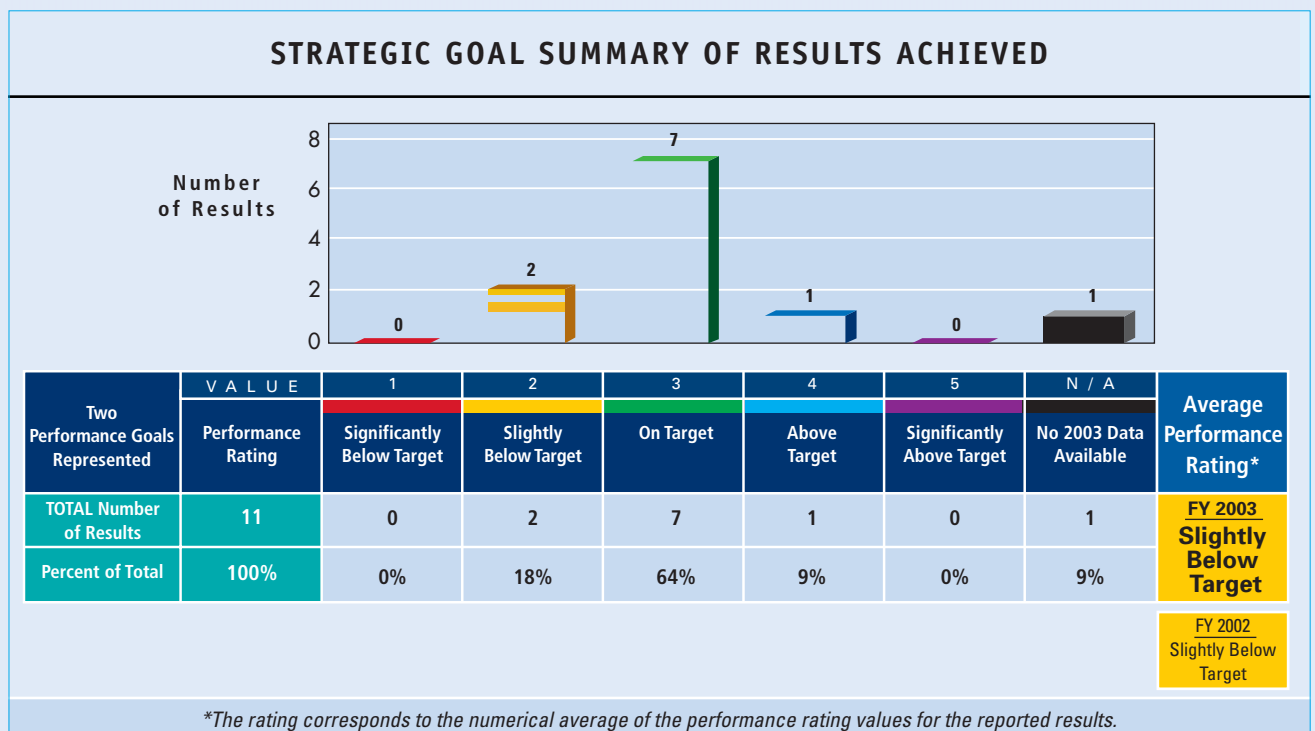
III. Strategic Context

The Democracy and Human Rights strategic goal is supported by two performance goals. Shown below are the major initiatives/programs, resources, bureaus and partners that contribute to accomplishment of the strategic goal.

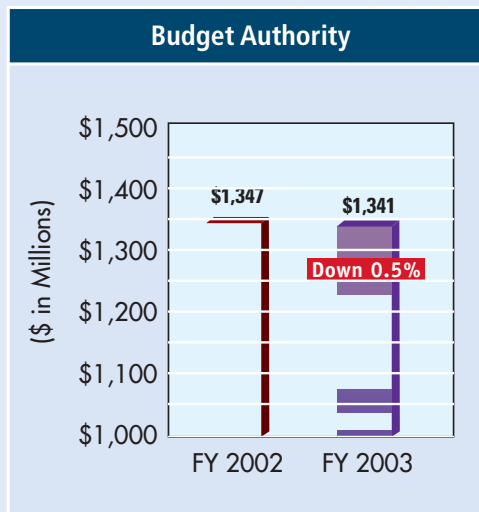
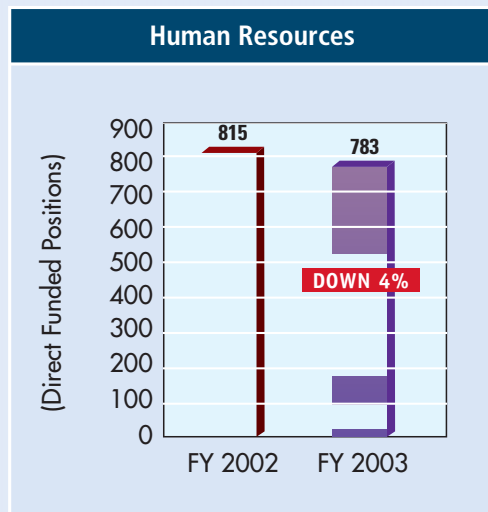
Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Democracy and Human Rights	Democratic System and Practices	Engagement to Advance Democracy	Democracy, Human Rights and Labor	USAID, DOJ NGOs, UN, other int'l orgs.
	Universal Human Rights Standards	Bilateral and Multilateral Diplomacy	Democracy, Human Rights and Labor, International Organizations	UN, other int'l orgs, NGOs
		Apply Human Rights Standards	Democracy, Human Rights and Labor	USAID, DOC, DOJ, IFIs, UN, other int'l orgs.
		Annual Country Reports on Human Rights Practices	Democracy, Human Rights and Labor	USAID, DOL, USCIRF, Congress, NGOs
		Promote International Religious Freedom	Democracy, Human Rights and Labor	DOJ, DOD, DHS, USCIRF, Congress, UN, other int'l orgs.
		Labor, Diplomacy and Advocacy for Worker's Rights	Democracy, Human Rights and Labor, Economic and Business Affairs	DOL, DOC, USTR, OPIC, NGOs, IFIs, ILO, other int'l orgs.

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Democracy and Human Rights strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "slightly below target", unchanged from last year's "slightly below target" rating.



V. Resources Invested



VI. Illustrative Example of a Significant Event

The Middle East Partnership Initiative (MEPI)

The Middle East Partnership Initiative (MEPI) is a Presidential initiative announced by Secretary Powell on December 12, 2002, which provides a framework and funding for the United States to work together with the private sector, civil society, and governments in the Arab world to expand economic, political, and education reform efforts in the Middle East and champion opportunity for all people of the region, especially women and youth. The initiative strives to link Arab, U.S. and global private sector business, non-governmental organizations, civil society elements, and governments together to develop innovative policies and programs to achieve this mission. The U.S. has adopted a new policy, a forward strategy of freedom in the Middle East. MEPI is the Administration's primary diplomatic policy and development programmatic tool to support this U.S. policy and is structured in four reform areas: economic, political, education and women's issues.



Secretary Powell talks about the Middle East Partnership Initiative with Arab women.
Department of State Photo



VII. Performance Results

PERFORMANCE GOAL 1

Measures adopted to develop transparent and accountable democratic institutions, laws, and political processes and practices

I/P #1: ENGAGEMENT TO ADVANCE DEMOCRACY		
Work with countries that are reforming government systems to create more transparent, inclusive, and participatory practices, through bilateral engagement, multilateral mechanisms, and non-governmental (i.e., NGO) channels.		
OUTPUT INDICATOR		
Indicator #1: Number of Countries Eligible for Community of Democracies (CD) and Identified as Democratic in Other Indices		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: Invitations sent to 117 countries to participate in CD Ministerial in Seoul.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> 118 countries invited to participate in 2002 Community of Democracies ministerial meeting (held in FY 2003). Freedom House 2003 Report (released 04/03) Free: 89, Partly Free: 55, Not Free: 48 <ul style="list-style-type: none"> Improved countries: 29; Declined countries: 11 Net Progress: +18 2002 Country Reports on Human Rights Practices (published 03/03) Countries w/ Human Rights: 126; Countries w/ Limits: 35; Countries w/o Rights: 34 Net Progress: +6 <ul style="list-style-type: none"> Citizens of 6 countries gained the right to change their government since the 2001 country reports were issued, including Comoros (new elections), Republic of Congo (new elections), Kenya, Fiji (end of coup), Yugoslavia and Afghanistan.
	Target	<ol style="list-style-type: none"> More countries become eligible for inclusion on invitation list for CD ministerial. Freedom House Index: Net Progress: (i.e., + change from previous year). Country ratings in Human Rights Practices: Net Progress, (i.e., + change from previous year).
	Rating	■ Above Target
	Impact	More democracies provide for a safer, more stable world and a basis for enhanced international cooperation. More countries accept the necessity of democracy and human rights protection as a prerequisite for building strong and prosperous societies, a relationship emphasized in U.S. international assistance strategies.



I/P #1: ENGAGEMENT TO ADVANCE DEMOCRACY <i>Continued</i>		
OUTPUT INDICATOR		
		Indicator #2: Activities That Strengthen the Community of Democracies (CDs)
FY RESULTS HISTORY	2000	CD held its first ministerial in Warsaw.
	2001	CD Caucus established and met.
	2002	Follow-up ministerial CD took place in Seoul.
FY 2003 DATA	2003 Results	<ul style="list-style-type: none"> Seoul Plan of Action implementation well underway. Regional CD conference for democracy building in Africa and Western Hemisphere, with Organization of African States-African Union (OAS-AU) cooperation, held in June 2003. OSCE meeting to be held in Romania in November 2003; Portugal meeting also planned.
	Target	CD ministerial produces Plan of Action. Implementation begins, including OAS-NEPAD cooperation and other regional follow-up.
	Rating	<div style="display: inline-block; width: 10px; height: 10px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	<p>2003 regional conferences allowed participating countries to discuss ways to strengthen and expand democracy. By fulfilling first two items of Seoul Plan of Action directly and other five items indirectly, they maintain momentum between CD ministerials.</p> <p>Growing interaction between the OAS, AU, and NEPAD will better equip the African states to face crises in democracies. U.S. better able to call on and rely on regional action to respond to crises, such as those in Venezuela, Zimbabwe, and Burma.</p>



A disabled woman drops her ballot into the box at the polling station in the International Academy School of Kigali, Rwanda. © AP Photo/Ricky Gare



PERFORMANCE GOAL 2

Universal standards protect human rights, including the rights of women and ethnic minorities, religious freedom, worker rights, and the reduction of child labor

I/P #2: BILATERAL AND MULTILATERAL DIPLOMACY		
Press governments with poor human rights records to move toward full observation of internationally recognized human rights standards and norms.		
OUTPUT INDICATOR		
Indicator #1: Number of UN Commission on Human Rights (UNCHR) Resolutions on Democracy Adopted		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. Resolutions on Cuba, Iran, and Iraq passed. 2. Resolution on China defeated. 3. No Belarus or North Korean resolution on table.
	2001	<ol style="list-style-type: none"> 1. UNCHR passed resolution for the third year on Cuba, Iran, and Iraq. 2. Resolution on China defeated. 3. No Belarus or North Korean resolutions on table.
	2002	<p>N/A</p> <ul style="list-style-type: none"> • This Indicator was not tracked because the United States was not a member of the UNCHR in 2002, but was re-elected as a member for 2003.
FY 2003 DATA	2003 Results	In 2003, UNCHR passed resolutions on Cuba, North Korea, Belarus (U.S.-sponsored), Turkmenistan, Burma and Iraq. Chechnya, Sudan and Zimbabwe resolutions were defeated. U.S. took strong stand against Libyan chairmanship of UNCHR. U.S. succeeded in blocking "special sitting" on Iraq, despite strong anti-U.S. bloc among some Muslim countries and some EU states.
	Target	Commission adopts a majority of country-specific and thematic resolutions of highest interest.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	Belarus responded to resolution by examining its human rights. Cuban rejection of resolution noted worldwide and met international condemnation. Dissidents in all countries noted resolutions.



I/P #2: BILATERAL AND MULTILATERAL DIPLOMACY *Continued*

OUTPUT INDICATOR

Indicator #2: Number of UNCHR States With Negative Human Rights Records

FY RESULTS HISTORY	2000	Of the fifty-three member states, seventeen had negative human rights records.
	2001	Eighteen states had negative human rights records.
	2002	UNCHR election in April 2002 returned the United States as a member; United States began work to change UNCHR membership.
FY 2003 DATA	2003 Results	Sixteen member states with negative records.
	Target	No more than 15 UNCHR member states with negative record.
	Rating	■ Slightly Below Target
	Impact	Decrease in number of countries with negative human rights records assists UNCHR in carrying out its mandate. In turn, UNCHR is more effective when countries with poor human rights records are no longer members of UNCHR thus paving the way for more effective resolutions and interventions by Special Rapporteurs.

A girl holds a placard while riding on an elephant which leads a rally marking 'World day against child Labour' in Kathmandu, Nepal. A report by the International Labour organization (ILO) states that there are 2,600,000 child workers in Nepal.

© AP Photo/Narendra Shrestha



I/P #3: APPLY HUMAN RIGHTS STANDARDS		
Ensure that human rights standards are upheld and advanced.		
INPUT INDICATOR		
Indicator #3: Amount and Quality of Post Reporting on Human Rights Violations Pursuant to Leahy Requirements		
FY RESULTS HISTORY	2000	Leahy procedures established for Foreign Operations and Defense funding, but posts are not required to make systematic reports.
	2001	The Bureau of Intelligence and Research created a database for HR abuses in Colombia and Indonesia.
	2002	<ol style="list-style-type: none"> 1. The Bureau of Democracy, Human Rights and Labor produced case studies and lessons learned from Leahy implementation. 2. DRL reopened dialogue with the Bureau of Political and Military Affairs, and regional bureaus on standardization of vetting procedures and implementation.
FY 2003 DATA	2003 Results	Database to collect information on human rights abuses in countries receiving security assistance is being developed and tested.
	Target	Reporting procedures formulated and put into place.
	Rating	■ On Target
	Impact	Many human rights violations are committed by security forces. Through vetting and withholding of U.S. assistance to human rights violators, military discipline and respect for human rights increase.



Delegates attend a ministerial-level Security Council meeting entitled "Justice and the Rule of Law: The United Nations Role." © AP Photo/Mary Altaffer



I/P #4: ANNUAL COUNTRY REPORTS ON HUMAN RIGHTS PRACTICES

Consolidate the U.S. Government's assessments on human rights situations around the globe, recognizing that judging a country's human rights performance based on internationally accepted norms remains a powerful tool.

		EFFICIENCY INDICATOR
		Indicator #4: Effective Use of the Human Rights Report (HRR) to Promote U.S. Foreign Policy Objectives
FY RESULTS HISTORY	2000	HRR is not linked to policy or activities.
	2001	<ol style="list-style-type: none"> 1. HRR not linked to policy or activities. 2. HRR translated into Vietnamese.
	2002	<ol style="list-style-type: none"> 1. DRL developed strategic plan within the Department to use HRR to promote key policy issues. 2. Strategy developed to increase number of posts using HRR for public diplomacy efforts. 3. Introduction of HRRs translated into French, Spanish, and Russian.
FY 2003 DATA	2003 Results	<ul style="list-style-type: none"> ● Though length of total HRR was reduced only 10%; 27 pilot countries were selected for editing of text to produce higher readability and more succinct presentation. Praise for the integrity and quality of the report was received from would-be critics, including Human Rights Watch, which said the reports "pulled no punches." (See target #1) ● Full reports or critical portions are translated into Chinese, Russian, Spanish, French, Arabic and Farsi. Over 50 individual posts' reports translated and posted on websites. (See target #2, #5 and #6) ● Human Rights Democracy Fund (HRDF) projects were implemented in several countries in Central Asia and the Middle East in response to issues highlighted in corresponding reports. (See target #3) ● Human Rights Strategy Report was published in June 2003. Portions translated into host-country, regional and world languages. Translations and other spin-off products for public diplomacy used worldwide, particularly in Africa and Middle East. (See target #2 and #7)
	Target	<ol style="list-style-type: none"> 1. 2002 HRR length is cut by 15% to the 2001 base, while maintaining high standard. 2. Strategy developed to increase number of posts using HRR for public diplomacy efforts. 3. Pilot posts chosen for human rights reporting-based HRDF program implementation plan. 4. HRR focus on institutional change is developed. 5. HRR translated into Chinese and Russian. 6. Posts in China, the former Soviet Union, Central Asia, Latin America, and Europe post the appropriate country reports on their websites in the appropriate languages. 7. Human Rights Strategy Report is published and distributed widely to illustrate ways in which U.S. government programs are having an impact worldwide.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	Many human rights violations are committed by security forces. Through vetting and withholding of U.S. assistance to human rights violators, military discipline and respect for human rights increase.



I/P #5: PROMOTE INTERNATIONAL RELIGIOUS FREEDOM		
Enhance long-term stability, increase opportunity for democracy, support other human rights, and undermine religiously based terrorism by advancing religious freedom in countries and regions important to U.S. interests.		
OUTCOME INDICATOR		
Indicator #5: Level of Engagement with Foreign Governments and NGOs to Promote and Advocate on Behalf of Religious Freedom in Keeping with Foreign Policy Directives such as the International Religious Freedom Act (IRFA)		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. Some religious prisoners released. 2. Discussions on religion laws.
	2001	<ol style="list-style-type: none"> 1. Minor U.S. successes in forestalling or improving bad religion laws in Eastern Europe and Central Asia. 2. Some religious prisoners released.
	2002	<ol style="list-style-type: none"> 1. Continuing U.S. influence on some religion legislation. 2. Some religious prisoners released; some religious refugees assisted.
FY 2003 DATA	2003 Results	<ul style="list-style-type: none"> • IRF concerns have been raised by the Department in bilateral and multilateral meetings. • IRF officers have begun engagement on promoting religious freedom in Afghanistan and Iraq. • Posts have shown an increased engagement on IRF issues, producing for the most part excellent country reports for the International Religious Freedom Report to Congress. • The IRF ambassador and officers have been instrumental in facilitating the removal of people persecuted for their faith from harm's way. • The Ambassador-at-Large and staff have visited China, Vietnam, and Saudi Arabia for repeated trips.
	Target	<ul style="list-style-type: none"> • More IRF integration into policy and advocacy by senior U.S. officials abroad and executive and legislative branches, including better coordination with Congress. • Special focus on Afghanistan and Iraq for increased religious freedom, including through the constitution-drafting processes. • Posts provide consistently high-quality reporting on religious freedom. More IRF advocacy is undertaken by the Department in multilateral forums. • Build coalitions through travel to like-minded countries which will strengthen ties and enlist broader-based advocacy in support of international religious freedom goals.
	Rating	<div style="display: inline-block; width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> On Target
	Impact	<p>The Department's advocacy in these areas has resulted in increased attention to religious freedom in target countries around the world. In target countries diplomacy and travel by the Ambassador-at-Large, and advocacy and diplomatic engagement have resulted in the release of prisoners, the relaxing of enforcement of restrictive religious laws, and greater operating space for religious minorities.</p> <p>The Department's ongoing reporting and monitoring of religious freedom conditions allow us to engage in purposeful and targeted religious freedom advocacy. Such monitoring and analysis are essential to the conduct of effective diplomacy and for the identification of targeted benchmarks in our dialogues with countries of concern for religious freedom violations.</p>



I/P #5: PROMOTE INTERNATIONAL RELIGIOUS FREEDOM *Continued*
INPUT INDICATOR
Indicator #6: Intensity of Monitoring, Reporting, and Analysis on Behalf of Religious Freedom by the USG and Multilateral Institutions in Keeping With Foreign Policy Directives such as the International Religious Freedom Act

FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> 1. IRF Ambassador and IRF office established for one year. 2. Ambassador attended senior staff meetings with Assistant Secretaries. 3. Access to Secretary.
	2001	<ol style="list-style-type: none"> 1. Second IRF Report built credibility among NGOs and in Congress. 2. Improved IRF reporting from U.S. posts abroad. 3. Vietnam and China HR dialogues included subject of IRF.
	2002	<ol style="list-style-type: none"> 1. Third IRF report generally well received. 2. Post reporting remained at improved 2001 levels. 3. Bilateral HR dialogues with China and Vietnam included subject of IRF.
FY 2003 DATA	2003 Results	N/A, see "Other Issues" below.
	Target	<ol style="list-style-type: none"> 1. IRF reports recognized for high-quality reporting. 2. Analysis expanded either in report introduction or in separate op-ed piece for major U.S. newspaper or other widely circulated publication. 3. New resolution or conference reporting on IRF or IRF-related issue agreed to by a multilateral institution due to U.S. intervention.
	Rating	■ N/A
	Impact	N/A
	Other Issues	Work pertaining to this indicator has been subsumed into indicator number five.



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I/P #6: LABOR DIPLOMACY AND ADVOCACY FOR WORKERS' RIGHTS		
Promote respect for workers' rights by pressing governments to respect internationally recognized worker rights, voluntary business codes of conduct, and the rule of law.		
OUTPUT INDICATOR		
Indicator #7: Number of Public-Private Partnerships to Advance Respect for Human Rights		
FY RESULTS HISTORY	2000	<ol style="list-style-type: none"> Voluntary Principles for Security and Human Rights (VPs) announced. Partnership to Eliminate Sweatshops (PESP) grants awarded.
	2001	<ol style="list-style-type: none"> Government of the Netherlands and Newmont Mining adhered to the VPs. Public-private partnerships created in Central America and Asia to address labor conditions in factories. Child labor abuses decreased due to programs.
	2002	<ol style="list-style-type: none"> Occidental Petroleum, ExxonMobil, PaxChristi and the Government of Norway joined VPs. First security managers' workshop conducted. In-country briefings in Colombia. Voluntary Principles and Partnership to Eliminate Sweatshops Program (PESP) programs contributed to greater respect for worker rights in Central America and Philippines. PESP program contributed to workers empowerment enabling negotiation of agreed framework in Costa Rica and Guatemala.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> Programs funded to educate workers on rights and pilot program developed to address labor conditions in select factories in China and in forty-two other countries. Method to track labor violations not developed. Once this is developed, the Department will be able to track progress and more fully report on target two. PESP projects showing progress in Central America.
	Target	<ol style="list-style-type: none"> Develop program to improve work safety and health conditions in China. Worker rights violations decrease in half the countries in which DRL/IL has anti-sweatshop programs. The number of overseas factories respecting business codes of conduct increases 20 percent.
	Rating	<div></div> Slightly Below Target
	Impact	<p>Public sector actions allowing for freedom of association and providing for workers' right to organize are key components of civil society and representative government. Private sector acceptance of workers' rights and the responsibility to provide adequate working conditions builds confidence in democracy, economic liberty, and free trade. Advances made over the last three years are the result of U.S. success in bringing together all actors in this arena and extending efforts to new regions.</p>



I/P #6: LABOR DIPLOMACY AND ADVOCACY FOR WORKERS' RIGHTS <i>Continued</i>		
		OUTPUT INDICATOR
		Indicator #8: Status of Workers' Rights
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	Baseline: <ol style="list-style-type: none"> Established national plans for the elimination of child labor in Muslim countries. Increased acceptance of International Labor Organization (ILO) issues in the Muslim world.
FY 2003 DATA	2003 Results	<ol style="list-style-type: none"> Significant HRDF and DOL/ILAB projects dealing with worker rights begun in China. Notable improvements in worker rights made in Cambodia. Continuing improvement in Bahrain and Saudi Arabia. For example, <ul style="list-style-type: none"> Nineteen new labor unions were formed in Bahrain after the 2002 adoption of a ground-breaking labor law. Labor "committees" authorized in Saudi Arabia. Key ILO conventions ratified by Syria, Sudan and Lebanon. Labor clauses in all initial versions of the trade agreements currently under negotiation: the Central American Free Trade Agreement (CAFTA), other free trade agreements (FTAs) with Morocco, Australia, and the South African Customs Union.
	Target	<ol style="list-style-type: none"> Worker organizations established in one country in each of the following regions: Eastern Europe, the Caucasus, Central Asia, the Middle East, China, Central America, and Africa. Increase in implementation of International Labor Organization standards in the Muslim world. Increase in respect for workers' rights in China. Include provisions to protect worker rights in the FTA under negotiation with five Central American nations, and in other FTAs and Trade and Investment Facilitation Agreements (TIFAs).
	Rating	<div> <div></div> 1. On Target <div></div> 2. On Target </div>
	Impact	For the first time ever, worker rights are being discussed locally and bilaterally in certain Gulf States. As part of U.S. initiatives for democratization, labor organizations have been a key building block for developing civil society and representative movements.

A group of children march as they join a contingent during the celebration of the 105th Independence Day anniversary in Manila which coincides with the World Day Against Child Labor.

© AP Photo/Pat Roque



STRATEGIC OBJECTIVE #2: ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS

STRATEGIC GOAL 8: ECONOMIC PROSPERITY AND SECURITY

Strengthen world economic growth, development, and stability, while expanding opportunities for U.S. businesses and ensuring economic security for the nation

I. Public Benefit

The President's National Security Strategy aims to "help make the world not just safer but better". National security and global economic prosperity are inextricably linked. Americans have a vital interest in a strong international economy that advances prosperity, freedom, and economic opportunity worldwide. Economic growth creates new jobs and higher incomes for Americans and for citizens of other nations. The Department works closely with other agencies, businesses, and NGOs to build a strong and dynamic international economic system based on free trade with new opportunities for American business, workers, and farmers, and to ensure the economic security of the United States. The Department has a direct impact on U.S. economic security through its work to ensure the stability of the international financial system, disrupt terrorist financial networks, support front-line states grappling with difficult economic conditions, develop diversified and reliable sources of energy, and make international transportation of people and goods safe and secure.

The remarkable growth and prosperity of the developed economies have demonstrated the strength of a dynamic, open international trading system based on free trade and free markets, good governance, and the rule of law, a system which is a key element of sustainable development. Conversely, the lack of economic opportunity for many around the world is an underlying factor for a number of the grave challenges we face. Regional instability, international crime and illicit drugs, social and environmental destabilization, and humanitarian crises all feed on, and further marginalize, vulnerable populations. The Department's efforts to promote trade and development have a direct positive effect on these vulnerable populations while also strengthening the U.S. economy. As the world's largest importer and exporter, the U.S. has a significant impact: trade accounts for about one-quarter of the U.S. economy and reached \$2.6 trillion in FY 2003. Export growth produced about 25 percent of U.S. economic growth during the past decade. One of every five U.S. manufacturing workers depends on exports for a job. Imports make competitive, lower cost goods available to American consumers and quality supply components available to American industries. The United States is the largest importer from developing countries, importing goods worth over \$600 billion in 2002, approximately ten times the value of the total of all official development assistance to developing

countries from all donors. Continued growth and the economic opportunity gained from open trading systems, foreign investment, U.S. development assistance, and international cooperation on financial issues promotes political liberty abroad and our national security at home.



The Department and USAID work to promote global prosperity by expanding trade and investment between nations. The safe transfer of goods to and from port cities, such as Singapore seen in this photo, is vital to ensuring economic security.

Department of State Photo

